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Issue Date: January 20, 2023
Deadline for Question: February 3, 2023, 5:00 p.m. Ethiopia time
Closing Date and Time: March 10, 2023, 5:00 p.m. Ethiopia time

Subject: Notice of Funding Opportunity (NOFO)
Request for Application Number: 72066323RFA00004

Program Title: Highlands Resilience Activity

Federal Assistance Listing Number: 98.001

Ladies/Gentlemen:

The United States Agency for International Development (USAID) is seeking applications for a cooperative agreement from qualified entities to implement the Highlands Resilience Activity. Eligibility for this award is not restricted.

USAID intends to make an award to the applicant(s) who best meets the objectives of this funding opportunity based on the merit review criteria described in this NOFO subject to a risk assessment. Eligible parties interested in submitting an application are encouraged to read this NOFO thoroughly to understand the type of program sought, application submission requirements and selection process.

To be eligible for award, the applicant must provide all information as required in this NOFO and meet eligibility standards in Section C of this NOFO. This funding opportunity is posted on www.grants.gov, and may be amended. It is the responsibility of the applicant to regularly check the website to ensure they have the latest information pertaining to this notice of funding opportunity and to ensure that the NOFO has been received from the internet in its entirety. USAID bears no responsibility for data errors resulting from transmission or conversion process. If you have 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 award to an applicant unless the applicant has complied with all applicable unique entity identifier and System for Award Management (SAM) requirements detailed in Section D.6.g. The registration process may take many weeks to complete. Therefore, applicants are encouraged to begin registration early in the process.

Please send any questions to the point(s) of contact identified in Section G. The deadline for questions is shown above. Responses to questions received prior to the deadline will be furnished to all potential applicants through an amendment to this notice posted to www.grants.gov.

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

Thank you for your interest in USAID programs.

Sincerely,

Admir Serifovic
Supervisory Agreement Officer

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SECTION A: PROGRAM DESCRIPTION

This funding opportunity is authorized under the Foreign Assistance Act (FAA) of 1961, as amended. The resulting award will be subject to 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and USAID's supplement, 2 CFR 700, as well as the additional requirements found in Section F.

SECTION A: Program Description – Highlands Resilience Activity (HRA)

A1. Introduction

The Feed the Future Ethiopia Highlands Resilience Activity (HRA) aims to enable 120,000 households in the highland regions of Ethiopia to reach the graduation threshold[1] from the Government of Ethiopia (GoE) Productive Safety Net Program (PSNP5). Applications are sought that complement the PSNP5 and build on the extensive lessons and experiences of previous USAID and GoE-funded programs, particularly the PSNP4 Livelihood Component, USAID's Graduation with Resilience to Achieve Sustainable Development (GRAD) and the Livelihoods for Resilience (L4R) activities.

HRA must subscribe to the general framework outlined by the PSNP5 livelihood component, which articulates three key livelihood pathways: on-farm, off-farm and employment. USAID/Ethiopia seeks applications that apply market systems approaches to improve: (1) on-farm crop and livestock income generation, (2) off-farm enterprise development (3) wage employment, (4) diet quality and quantity (and nutrition) and (5) collaborative learning for scaling and sustaining gains.

HRA also subscribes to USAID/Ethiopia's Country Development Cooperation Strategy (CDCS) that calls for collaboration and coordination among USAID investments to maximize effectiveness and impact. HRA will target PSNP5 clients in five highland regions of Ethiopia: Tigray, Amhara, Oromia, SNNP and Sidama. Theoretically, all PSNP5 implementing *woredas* in these regions are eligible; however, priority will be given to *woredas* within the market sheds of other USAID funded programs, particularly in the Feed the Future Ethiopia Zone of Influence and similar activities implemented/funded by the GoE and other development partners.

A2. Country Context and Problem Statement

Country Context

Over the past 20 years, Ethiopia has made significant progress in improving health, nutrition, education, and other human development indicators. Life expectancy has risen dramatically, and the percentage of the population living in poverty and hunger has fallen by a third in the last 10 years. Sustained economic growth and strong pro-poor spending by the GoE have been critical to

[1] Graduation threshold is the cost of meeting not just minimum food and livelihood costs in an average year, but also includes a buffer to allow people to withstand the impact of a moderate shock.

this success, supported by the commitment of development partners such as USAID to support Ethiopia's aspirations in poverty reduction. Progress in rural livelihoods drove poverty reduction in the past and will likely do so in the future. Despite impressive economic growth for the last one and a half decade, Ethiopia remains one of the poorest countries in the world with a per capita annual income estimated at $883 (MoF, 2019). Millions of Ethiopians suffer from the combination of poverty, vulnerability, malnutrition and food insecurity that erodes community and household resilience. Population density is high in the highlands and a large proportion of these households are without access to sufficient land and other productive assets. These factors are exacerbated by climate change, conflict and other acute and chronic shocks and stresses. The natural resources base remains the foundation for most livelihoods and is subject to considerable climate risks. Furthermore, the current conflict in the northern part of Ethiopia (Tigray, Amhara and Afar regions) has had significant implications on the overall economic growth of these regions and has reduced the existing asset base of many of these chronically food insecure households. Acute malnutrition rates have risen dramatically, and the health status of women and children has deteriorated. The conflict may have damaged some community-held productive assets in the target area of Northern Ethiopia, such as flood prevention infrastructure, roads, and markets. Given these facts, Livelihoods activities need to incorporate a reduced asset base and the need to restore infrastructure into their application and targeting process. In addition, applicants should include market analysis in their approach to assess the effects of the conflict on market access and function for the target population.

As a result of these factors, a significant segment of the population continues to need food assistance. For instance, in October 2020, the Ethiopian Disaster Risk Management Commission (EDRMC) indicated that more than 15 million Ethiopians were in need of humanitarian assistance due to pocket area drought, floods, COVID-19 and aggressive locust damage *(https://reliefweb.int/report/ethiopia) and* in 2021, the draft Humanitarian Response Plan estimated that 13.7 million people needed emergency food assistance. The USAID Joint Emergency Operations Program (JEOP) is USAID's primary vehicle for providing humanitarian food assistance to more than 5.3 million transitory food insecure and conflict-affected Ethiopians. USAID also provides food and nutrition humanitarian assistance across the country through the United Nations World Food Program (WFP) and UNICEF.

The GOE began the PSNP in 2005 in order to provide predictable and timely assistance to chronically food-insecure households and bridge their food need gap and also help them to invest in new livelihood activities that would yield new income and build assets. Multiple development partners support the PSNP implementation. Now, the PSNP supports over eight million people in more than 470 woredas. It has helped food-insecure households smoothing consumption (increase the number of months the family feeds itself), buffering shocks by preventing degradation of and restoring natural resources and building or rehabilitating social infrastructure (schools, health centers, roads, and so on). PSNP is now in its fifth cycle (2021-2025) with a total budget of $2.3 billion.

A key metric used to assess the effectiveness of PSNP4 was the rate of client graduation from the program. With USAID support, the PSNP4 provided augmented livelihoods support to approximately 120,000 PSNP clients to strengthen and diversify their livelihood strategies along the three livelihoods pathways: 1) crop and livestock (on-farm) enterprises 2) off-farm enterprises and 3) wage employment. Implementing partners staff including k*ebele*-level community facilitators recruited by USG funded livelihoods activities helped households develop business plans for more productive farm (crop/livestock) and off-farm enterprises and to seek formal wage employment opportunities. Because ultra-poor households have little to no chance of receiving loans from financial institutions, PSNP4 provided a one-off $200 livelihood grant to 10% of the targeted HHs to help start their businesses. Other PSNP clients were supported in obtaining access to credit from financial services providers (particularly micro finance institutions (MFIs) and rural cooperative unions) to start their businesses.

Unfortunately, the graduation results from the PSNP4 were lower than expected. This is due to the absence of clear criteria and objective verification methods for graduation eligibility that can replace the Graduation Prediction System (GPS), a complex and unfriendly tool to be used by front line implementers.

PSNP4 also introduced linkages to health and nutrition services for pregnant and lactating women (PLW) and children, as well as nutrition-sensitive public works such as construction of WASH facilities and childcare centers. PSNP5 was designed to build on and complement these efforts by integrating nutrition interventions across the livelihoods component. The PSNP5 livelihoods component "*seeks to contribute to the nutrition outcomes of the households*" through nutrition-smart value chains, messaging and training on use of increased income for improved dietary diversity, development of a "nutrition-sensitive livelihood menu" and other creative approaches to improve women's and children's diets.

The PSNP5 emphasizes the importance of recalibrating livelihood strengthening support in order to accelerate the graduation rate. This approach is referred to as *"The Big Push"*. PSNP 5's Big Push approach has the following defining characteristics:

- *Targeting fewer households:* The PSNP5 aims to enable 20% of PSNP households to graduate from PSNP by improving their livelihoods through a combination of time-bound and appropriate strategies and investments. Targeted ultra-poor households will receive a one-time $300 livelihoods grant.

- *Tailoring support to client's needs:* The Big Push emphasizes the importance of tailoring livelihood assistance to clients' specific needs, capacities and context rather than implementing broad, one-size-fits-all interventions. Targeted clients will receive intense and high-quality support to help them exit from the program faster. Additional community facilitators will be hired to provide training/coaching to targeted households.

- *Increased focus on improving women's economic opportunities:* The Big Push aims to address gender gaps in access to inputs as well as ownership and control of assets through 1) targeted training for women focused on agriculture/livestock production and marketing; 2) targeting 50% of the PSNP livelihood grants for women; and 3) targeted interventions for women to increase their participation in wage employment.

- *Increasing livelihood diversification to build resilience:* The Big Push will promote intra-household livelihood diversification, particularly in the off-farm and employment pathways, to reduce income reliance on rainfed agriculture on small plots of land.

- *Integrating youth in livelihood promotion:* In addition to targeting youth for livelihood strengthening activities, PSNP5 aims to support youth to become community facilitators and work with kebele development agents to implement various elements of the PSNP including public works planning, client verification and provision of training to Big Push clients.

Problem Statement

After 15 years of the PSNP, graduation from the program remains low, with some households never achieving graduation and others returning to the program a few years after being declared graduates. Livelihood strategies remain vulnerable, characterized by subsistence low productivity and diversity. According to our analysis, efforts to improve livelihoods and thus graduation rates at scale have yielded limited success mainly due to an over-reliance on donor resources and over-burdened frontline workers to implement the livelihood approach. While the government plays a critical and irreplaceable role, the needs far surpass government resources. The capacity of the government to adopt and scale up good lessons and practices of the livelihood interventions to all PSNP and non-PSNP woredas was very limited.

Significant and sustained improvements in viable livelihood strategies cannot be achieved without substantial private sector engagement, expertise and investment. PSNP clients tend to live in remote communities that are less well integrated into the economy (See Tessema et al (2019). As a result, PSNP clients face many barriers to access the markets and business development services, including access to finance, needed to grow their on-farm and off-farm businesses. Off-farm business enterprises are key contributors to employment, economic growth and poverty reduction; and its importance increases through time as the productivity of the on-farm activities are more and more challenged due to declining land quality and land size as well as population pressure. Studies show that only 23 percent of households in rural Ethiopia have a non-farm enterprise, which is low by regional standards. Limited access to credit constraints household investment, particularly in non-farm activities. Besides the lack of suitable adequate finance, challenging business environment, low level of core business skills, insufficient demand for rural MSMEs produce, low productivity, gender disparities, marginalization and other elements affect the growth of the off-farm sub-sector. Viable employment opportunities are also very limited, as various barriers and weak incentives constrain the private sector's capacity to expand their businesses into PSNP areas and to hire and train PSNP clients.

In addition, consumption of a diverse diet is also low among PSNP clients, due to the constraints listed above limiting access to nutritious foods throughout the year as well as to information and counseling services to support adoption of improved dietary and nutrition practices. All of the above challenges are exacerbated for women and youth due to disparities in access to productive resources and agency. Finally, while many of these constraints are known, solutions that can be efficiently and effectively scaled to achieve transformative change and permanently reduce vulnerability, including how to assess graduation "readiness", are not well understood.

Low rates of financial inclusion remain a binding constraint for households to graduate from the PSNP. An assessment made by the Association of Ethiopian Microfinance Institute informed that only 10% of households in Ethiopia have access to formal credit and only 1% of the rural population has a bank account. Ethiopia's weak financial system "enhances the risk and costs of services and thus economically unrealistic business proposals. Failures on the market, such as asymmetric information, monopoly of financial markets or oligopoly and accessibility barriers for new competitors are obstacles to part of the population which are excluded due to prices, risks, and lower supplies." PSNP households are disproportionately affected by ineffective financial institutions as the high cost of financial access creates an additional barrier to entry to on-farm and off-farm business ventures. To help address this gap, USAID's livelihood activities developed and applied a Loan Guarantee Fund (LGF) facility that incentivized Micro Finance Institutions (MFIs) and Rural Savings and Credit Cooperatives (RUSaCCOs) to create better loan access to targeted HHs. However, the expectation of the Guarantee Fund accelerating loan access to a large number of PSNP households from the financial services providers (FSPs) has not been fully materialized mainly due to FSPs capacity limitations (e.g., liquidity constraints) and outreach/geographic coverage (FSPs operate mainly in towns and semi-urban areas and lack presence in remote rural areas).

Inclusive economic growth in rural Ethiopia is hampered by poor integration between rural producers and consumers with semi-urban and urban markets, negatively impacting exit from the PSNP. Tessema et al (2019) posit four antecedents required for market integration by rural producers, including 1) production factors (such as landholdings, farm labor, and inputs; 2) infrastructure - roads and market infrastructure; 3) market standards, including quality standards and market information; and 4) neighborhood effect - the extent to which smallholders can learn from increased market integration of other producers. While the PSNP contributes to all of these areas with more focus on the first two antecedents in its livelihood approach, significant challenges remain in all four areas. Furthermore, according to the WFP's 2019 Comprehensive Food Security and Vulnerability Analysis (CFSVA), roughly 70% of Ethiopia's rural population must travel six hours to reach all-weather roads and only 28.8% of the rural population is within 2 kilometers from a market. A 2018 World Bank assessment suggests that poverty rates increase by 7% every ten additional kilometers from a market town. Loening et al (2009) found that enterprises located in rural towns are 50% more profitable than those in remote areas of Ethiopia. The same study found that demand for non-farm products is much higher when localized agricultural performance is strong. These findings suggest that a livelihood promotion program targeting PSNP households needs to focus on areas within proximity to a major market and with the potential for strong localized agricultural performance.

PSNP clients tend to be more remote than the average rural dweller and therefore their farm and off-farm businesses suffer more from market fragmentation and low last-mile service provision of key market-oriented services, such as access to market information and the specialized improved inputs, technologies, know-how, training in improved production, post-harvest handling support and aggregation required to access high-value markets.

Nutrition is critical to improving household resilience and livelihoods. While Ethiopia has seen significant progress in maternal and child nutrition outcomes over the last decade, access to safe, affordable, and nutritious diets remains a challenge. In 2019 only 13.5% of children 6-23 months received a minimally diverse diet, well below the regional average of 24%. And about half of all children (55%) received a minimum number of meals per day. Breastmilk is a child's first food, and exclusive breastfeeding practices in Ethiopia are modest and stagnating at 58.8%. While there are limited national figures on women's dietary diversity, a 2021 meta-analysis in Ethiopia found that less than half of pregnant and breastfeeding women (45.9%) consumed a minimally adequate diet. And a recent study by IFPRI found that only 5.6% of pregnant and lactating women (PLW) in PSNP 4 households had a minimally diverse diet, pointing to serious nutritional vulnerability in this population. The economic consequences of undernutrition are significant. The 2011 Cost of Hunger study estimated that Ethiopia loses up to 16.5% of GDP due to undernutrition every year.

Women in PSNP households face social inequalities that present additional barriers to accessing information, opportunities and resources to improve their livelihoods. USAID/Ethiopia's GRAD Activity evaluation found out the gender differential in the rates of PSNP graduation for MHHs versus FHHs, with the latter having lower graduation rates, identified factors for the disparity included women's household productive and reproductive roles, limited access to financial services, and traditional restrictions on women's mobility. Addressing identified root causes will be necessary to close the graduation rate gender gap.

In the past years, Ethiopia has taken major steps in investing to improve human capital, education and health and improving rural infrastructure. However, many households in rural Ethiopia and particularly in the bottom 40 percent are still uneducated (due to a combination of factors - limited access to schools and capacity of families to send their children to school), without good access to health, water, and sanitation services. According to the World Bank Country Diagnostics[2] report, besides inequities in the availability of services, lack of quality services, and constraints to household investments, households' inability and unwillingness to utilize available services are also major contributors to low education and health outcomes.

Finally, there is a critical need to rethink the concept of graduation from the PSNP. Despite defining a graduated PSNP household as one where "[in] the absence of receiving transfers, a [graduated] household can meet all of its food needs for 12 months and is able to withstand modest shocks," PSNP households were often arbitrarily graduated from PSNP4 to hit targets set for each region by the federal government. PSNP4 used a Graduation Prediction System (GPS) and wealth ranking at the Kebele level to identify potential graduates, using proxy indicators such as the number and type of productive assets, the value of those assets, non-productive assets, and annual earnings. This approach to graduation is static in nature because it measures household resilience at a specific point in time and rural poverty in Ethiopia's Highlands is seasonal in nature (lean versus harvest seasons). There is a clear need to assess graduation using other methods such as a threshold-based approach, the Household Economic Analysis (HEA) Livelihoods Impact Assessment tool. The HEA assesses household resilience based on three thresholds: 1) The survival threshold, the level at which households require food assistance to protect health and livelihoods; 2) The livelihoods protection threshold, the level at which interventions are required to protect livelihoods for household expenditure needs; and 3) No deficit, the level at which no emergency intervention is required. An annual analysis on the progress of PSNP clients towards reaching the graduation

[2] Ethiopia Systematic Country Diagnostic - https://elibrary.worldbank.org/doi/epdf/10.1596/24590

threshold in selected HRA operation woredas would be undertaken in collaboration with the Household Economy Analysis (HEA).

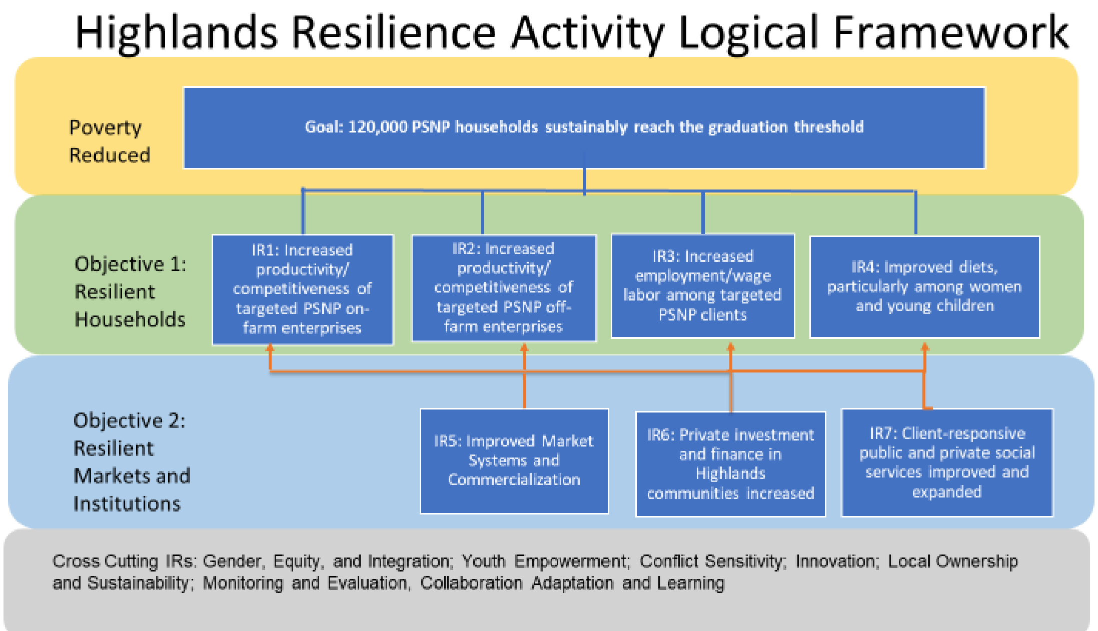
A3. Activity Overview

The HRA will contribute to the PSNP 5's "Big Push" initiative and has the overarching goal of strengthening resilience among vulnerable households in Ethiopia's Highlands resulting in 120,000 PSNP households reaching the graduation threshold.

HRA supports these households moving above the graduation threshold and to where they no longer require social safety net programming for household food security and have the capabilities and assets to withstand regular and predictable shocks. The activity will achieve this goal by directly supporting households in increasing their on-farm, off-farm and employment incomes while also facilitating improvements in the market systems required to increase demand for goods and services in PSNP communities.

Geographic Priority

The HRA will be implemented in selected woredas of five PSNP5 implementing highland regions of Ethiopia: Tigray, Amhara, Oromia, SNNP and Sidama over a period of five years. Given the extensive impact of the conflict in Northern Ethiopia on economic activities and livelihoods, it is envisioned that during the first and second year of HRA, the activity might focus on livelihoods recovery interventions for targeted conflict affected households and systems. Furthermore, the number of operational woredas and their specific locations should be determined considering proximity to other USG funded activities (e.g., FAST, RiPAS and DRM activities) to maximize collaboration and learning and focus on areas within proximity to a major market and with the potential for strong localized agricultural performance. USAID will make the final determination of the proposed operational woredas.



Theory of Change (TOC):

If

- market systems for on-farm commercialization and for off-farm goods, services, and employment improve, and
- private investment and finance in targeted highland PSNP communities increase, and
- Key client-responsive public and private services improve and expand,

Then

- the productivity and competitiveness of targeted PSNP on-farm and off-farm enterprises will increase, and
- employment and wage labor among targeted PSNP clients will increase, and
- diets will improve, particularly among women and young children,

All of which will result in targeted PSNP households reaching the PSNP graduation threshold because their incomes, assets, savings and diets will have sufficiently improved to cover their annual needs and withstand moderate shocks.

In addition, if women's and youth economic empowerment, environmental sustainability, conflict sensitivity and social cohesion are enhanced across the activity, then all of the results will be more equitable and sustainable.

Finally, if complementary investments are well coordinated and leveraged and if lessons and successful approaches are effectively shared, then HRA's gains will be greater and scaled more rapidly.

Goal (Or “Purpose” or “Objective”): 120,000 PSNP households sustainably reach the PSNP graduation threshold

The topline goal of HRA is for 120,000 PSNP households to sustainably reach the PSNP graduation threshold. All PSNP woredas in the highland regions of Ethiopia are eligible to be targeted by HRA. In woredas targeted by HRA, the core PSNP services (e.g., public works and transfers) will either be covered by either the GoE implemented PSNP or the RFSAs. In either case, HRA will implement the full package of the livelihoods component, unless the RFSA implementer or the GoE is already implementing the livelihoods interventions. HRA should target PSNP woredas in two or more highlands Regions (and PSNP households within those woredas per the big-push principle) with the greatest potential to achieve the graduation threshold within the five-year timeframe, considering the household profile, market opportunities, potential to rebound from conflict and opportunities to leverage other USAID investments, particularly in the Feed the Future Zone of Influence. In order to avoid duplication of efforts, If HRA selects a RFSA supported woreda, HRA will not duplicate any nutrition, youth, gender or any other activities. Final woredas selection will be approved by USAID.

In order for PSNP households to reach the graduation threshold, they must improve their livelihood strategies to the extent that they can reliably cover their basic annual food and household needs and maintain a buffer of savings and assets so that they can withstand moderate shocks. HRA will prioritize sustainable investments and approaches in order to increase the likelihood that households achieving the graduation threshold maintain their gains and continue to prosper rather than falling back into needing the PSNP. To do so, HRA will partner with key actors in the market system who possess specialized expertise, capacity to innovate and a vested interest in continuing investments into the future.

In order to achieve this topline goal, HRA must achieve the below intermediate results and cross-cutting objectives as identified in the results framework. While the first four intermediate results will result in improved resilience at the household and individual level, the following intermediate results (5-7) will support improved functionality and resilience of the underlying systems and institutions that PSNP households depend on for success.

IR1: Increased productivity and competitiveness of targeted PSNP on-farm enterprises

In order to reach the graduation threshold, PSNP clients must earn more from their on-farm (crop and livestock) activities. HRA will use market systems approaches to help targeted PSNP clients adopt a business and market orientation to increase their farm productivity and competitiveness so that they produce more and generate greater and more reliable income. This is in line with the GoE’s Ten Year Plan designed to “...reducing the reliance on rain-fed agriculture by developing irrigation capacity, enabling highly productive smallholder farmers to become investors by assisting them to have access to additional land; improving animal husbandry, fodder development and animal health; expanding horticulture development; expanding the participation of private investors in agriculture…”

Like all producers, PSNP farmers need a range of business development services (BDS) to improve their farm enterprises and capture good market opportunities. Rather than providing these services itself, the HRA implementer will build on USAID’s long investment in agriculture value chain development, connecting farmers to and developing these services via the private sector. HRA will partner with key market actors (public, private and research/universities) to implement interventions specifically designed to help PSNP on-farm enterprises overcome barriers constraining their growth, resilience and sustainability, such as access to finance, markets, inputs, technologies and other business development services. HRA will also partner closely with and leverage the investments of other key USAID activities such as the Feed the Future Ethiopia Food and Agriculture Transformation (FAST) and Market Systems for Growth (MS4G) activities.

Female farmers have less access to agricultural inputs and are less likely to adopt new agricultural technologies, and as a result have less productivity than their male counterparts. Gender biases in the community and amongst extension agents regarding perceptions of women's ability to farm or permissible levels of mobility play a large role in minimizing women's role in agriculture and reducing women's access to resources. Unless gender norms change, women's productivity and resilience capacities for farm-based livelihoods will continue to be impeded. HRA should concentrate efforts to address the male-bias present in the agriculture system, including extension services. Promoting more female extension workers, affecting gender norm change around women's contributions within agriculture, and targeting women in MHHs are possible entry points.

Experience from the implementation of previous phases of the PSNP and the livelihood activities informed that the majority of PSNP clients are engaging in the on-farm (crop and livestock) pathways. Interventions demonstrating the impact of improved crop and livestock technologies, practices and services to increase households' productivity and incomes and to address risks including climate change are critical elements of the HRA. HRA works to increase agriculture productivity and competitiveness in the market system of smallholder PSNP farmers by modernizing agriculture, contributing to satisfy the market demand for agricultural produce, transform household income and satisfy the food and nutritional needs of the household.

The applicant is encouraged to propose creative and sustainable market incentives for production and sale of nutritious foods and link to IR4 to improve nutrition outcomes.

Access to credit to increase production and productivity of the PSNP beneficiaries' individual land is critical. HRA will capitalize on the contribution of community-based groups such as the Village Economic and Social Association (VESA) to build the social and financial capital of vulnerable households, in addition to employing other access to finance strategies such as the Loan Guarantee Fund (LGF) initiative.

HRA intends to support targeted on-farm households to identify market demand, plan production for their target market and to increase the production and commercialization of their selected goods. HRA supports growing smallholder farmers into small to medium sized farms that are business-oriented and able to generate surpluses and increase value through the application of cost-effective and market-oriented production. HRA will also support farmers and service providers to formalize their enterprises and enable households to develop entrepreneurship skills and livelihood strategies that will lead to improved outcomes in on-farm activities. HRA's success will be evaluated on its impact in increasing production volumes and sales.

Expected Results

- At least a 25% increase in yield of targeted agricultural commodities

- Value of $60 million in sales of producers and firms receiving USG assistance.
- At least $53 million mobilized in new loans to PSNP households for a first-round loan.
- HRA clients increase the value of sales of on-farm commodities by at least $80 million

Illustrative Indicators

- Percentage of participants in USG-assisted programs designed to increase access to productive economic resources who are youth (15-29)
- Percentage of female participants in USG-assisted programs designed to increase access to productive economic resources
- Percent of households below the comparative threshold for the poorest quintile of the Asset-Based Comparative Wealth Index
- Quantity of assets owned
- Value of annual sales of producers and firms receiving USG assistance

IR2: Increased productivity and competitiveness of targeted PSNP off-farm enterprises

In addition to improved farm enterprises, PSNP clients need more and better opportunities to diversify their income generation. The rural off-farm livelihood diversification and growth can offer a pathway out of poverty for a large segment of the rural poor. Under IR2, HRA will use market systems approaches to help targeted PSNP clients improve the productivity and competitiveness of their off-farm enterprises. Off-farm income diversification bolsters resilience capacities by helping households fill in gaps in seasonal agricultural incomes and adapt to changing conditions in the rural economy and environment. Off-farm income generation includes all activities performed as self-employed labor, including income from post-harvest agricultural and livestock processing. The off-farm business enterprises are key contributors to employment, economic growth and poverty reduction as gains from the on-farm activities are more and more challenged due to declining land quality and size and population pressure. Studies show that only 23 percent of households in Ethiopia have a non-farm enterprise, which is low by regional standards. Limited access to credit constraints household investment, particularly in off-farm activities. Besides, the challenging business environment and gender disparities affect productivity, marginalization and survival of off-farm businesses.

HRA will partner with key market actors (public and private) to implement interventions specifically designed to help PSNP client-owned off-farm enterprises overcome barriers constraining their growth, resilience and sustainability such as access to finance, markets, inputs, technologies and other business development services.

HRA will increase linkages to urban markets that provide expansion of key off-farm enterprise development. In doing so, this intervention will promote income diversification and absorb some of the excess rural labor. The HRA will partner with key market actors (public and private) to apply innovative market system approaches to work with both formal and informal rural enterprises to alleviate most critical bottlenecks, increased access to essential business development services, improve technical knowledge and capabilities, facilitate expansion and promotion of entrepreneurship and business development in the off-farm sector, work with financial service providers to facilitate favorable credit and loan terms, enhance access to finance and develop sustainable linkages to markets. As in the current state, the non-agriculture-related activities in rural PSNP areas are either constrained by the absence/very low demand or the production of non-tradable goods and services. HRA's interventions are expected to coordinate a set of activities for the expansion of off-farm enterprises, as well as stimulation of the demand for the goods and services they provide. HRA will also partner closely with and leverage the investments of other key USAID activities, such as the Feed the Future Ethiopia Food and Agriculture Transformation (FAST) and Market Systems for Growth (MS4G) activities wherever appropriate and possible.

HRA efforts to support both women and men's entry into non-farm activities must take into consideration both opportunities e.g. ways in which currently gendered jobs can be transformed into gender-neutral professions for either gender, and the risks of vulnerability to sexual harassment of women in the workplace, or unintended consequences of GBV if women generate more income. There is the potential for women to have a larger role in diversifying household livelihoods into off-farm sources since women traditionally work more outside of agriculture than men. This is especially positive given the evidence that women oftentimes retain influence in decisions about how to use self-generated cash.

Expected Results:

- HRA clients increase the value of sales for off-farm goods by at least $40 million
- At least 2,000 SMEs (50% WSMES) (such as agro-dealers, pullet growers, bee colony multipliers, improved seed multipliers, agro-processors, micro-franchise women) supported to deliver appropriate services to the PSNP beneficiaries

Illustrative Indicators:

- Value of new USG commitments and private sector investment leveraged by the USG to support food security and nutrition

IR3: Increased employment and wage labor among targeted PSNP clients

In addition to on-farm and off-farm enterprise development, PSNP clients need more and better employment and wage labor opportunities. HRA will work with key market actors to identify and overcome constraints to growth among firms with high potential to create good jobs for PSNP clients. HRA will also partner with market actors to reduce impediments preventing PSNP clients from accessing available job opportunities. This may include addressing a range of barriers, such as difficulty accessing opportunities in nearby cities where better jobs and job training/matching programs exist. HRA will particularly focus on easing the barriers limiting the ability of youth and the landless to attain gainful employment. The HRA implementer will avoid placing clients in training programs that are misaligned with labor market demand or have low probability of leading to gainful employment.

Migration of workers within Ethiopia continues to be an important trend and the rapid urbanization is bringing new benefits from agglomeration, but also new challenges of identifying and connecting huge numbers of vulnerable people, women, and youth to various types of jobs with the main consumption of unskilled labor in the urban centers. The PSNP5 design is determined to focus on youth and high potential areas for wage employment in nearby small and secondary cities. HRA intends to link the productive forces of PSNP families to sources of wage employment at small, medium and large businesses.

HRA will facilitate employment opportunities with the aim of allowing targeted beneficiaries to compete for more secure and better remunerated employment. HRA will also coordinate with private sectors who can play a role in skills development. The success in this intermediate result depends on matching the right skills for people with skills that employers demand, to secure good jobs. HRA is to help beneficiaries, particularly the youth, transition smoothly out of unemployment and into jobs and from low to higher productivity employment.

HRA encourages partnering closely with FAST and MS4G to leverage opportunities in nearby rural areas and cities. HRA will also collaborate with the Rural Jobs Opportunities Creation Directorate (RJOC) of the Ministry of Agriculture and policy/strategy level support from the Jobs Creation Commission (JCC) at federal level and relevant technical support from the Employment Promotion Directorate of the Ministry of Women and Social Affairs.

Generally, the number of jobs created as a result of the support and the number of people engaged in full-time/part-time wage employment/self-employment would be major expected results and indicators.

IR4: Improved diets, particularly among women and young children

Improved health and nutrition are both an essential input for resilience and an outcome of resilience. Improved child health and nutrition is associated with long-term impacts on child growth and development, educational attainment, and future productivity-breaking intergenerational cycles of poverty and contributing to the long term PSNP goal of poverty reduction. Conversely, households and communities that are able to improve their livelihoods and access public and private services are protected from shocks and stresses that lead to food insecurity, undernutrition and poor health.

HRA will contribute to improving targeted PSNP participants' nutrition and diets, with a focus on the first thousand days from pregnancy until a child's second birthday-a critical window of opportunity. This demographic focus is in line with PSNP Outcome 4. Partners may extend activities to include children under 5 years of age and adolescents if appropriate.

Increased capacity to sustainably diversify own production
PSNP households rely on the market for the majority of their food consumption (net buyers). However, diversified homestead production - particularly animal source foods such as milk and eggs can be an important contribution to the household diet. HRA will partner with market actors and the public extension system to enable PSNP households to sustainably and efficiently diversify their production, as appropriate, taking into account key household economic tradeoffs, reliable access to required technologies and services, intra-household food consumption patterns, and product nutritional value. The HRA implementer should not promote household investments in diversified production that cannot reasonably be sustained after HRA ends (such as promoting homestead gardens *without* adequate access to water, inputs, technical services, processing services and marketing options for surplus production if appropriate). HRA will also support households to

take gender dynamics into account when choosing diversified production investment options, with particular attention to decision making, resources, time and workload.

Increased last-mile supply of nutritious foods

The cost of nutritious foods is rising in Ethiopia, compared to cereals. The market system levers under the other IRs are critical to improving the food environment and food system in PSNP areas and nutrition-sensitive approaches should be integrated in those IRs. Partnering with FAST and building on the experience of L4R, HRA will work with market actors to facilitate and incentivize the extension of supply chains of diverse, safe and nutritious foods into PSNP areas, with a focus on animal source foods. HRA will take into account seasonal food insecurity, post-harvest loss and year-round availability of nutritious foods. The applicant is encouraged to propose creative and sustainable market approaches to increase the availability, accessibility, and affordability of nutritious foods for PSNP communities.

Improved knowledge of maternal, infant and young child nutrition (MIYCN) practices and demand for health services

Social behavior change (SBC) is a critical component of nutrition-sensitive agriculture and livelihood interventions. Interventions may include Care Groups, Timed and Targeted Counseling, food preparation demonstrations and support to government nutrition service delivery such as growth monitoring and promotion activities. SBC approaches should include key health and WASH practices. HRA will collaborate with Improving Nutrition through Community-based Approach (INCA) activity to provide nutrition education and promotion to target PSNP participants, with a focus on PLW and children under 2.

Improved nutrition relies on a functional health system and PSNP nutrition activities are reliant on government health and social services. For example, access to Community Based Health Insurance (CBHI) improves nutrition and health outcomes for PSNP clients. To improve sustainability and impact, applicants are encouraged to work with both frontline workers such as HEWs and DAs to improve social and behavior change (SBC) approaches, demand for health and nutrition services and improved quality of service delivery (e.g., ANC, PNC, vaccinations) in coordination with INCA and other donor funded partners. HRA will ensure linkages to CBHI by eligible PSNP clients.

Within MHHs, men's role as the primary recipient of PSNP transfers and ultimate decision maker may affect household dietary diversity and also the individual health status of wives and children, depending on how much money men allot to food, as well as intra-household dynamics that affect men and women's food consumption patterns. HRA programs will consider how the gender of PSNP recipients affects individual nutrition status as well as household nutritional status.

HRA may build on successful nutrition related interventions tested and scaled by its predecessors, Graduation with Resilience to Achieve Sustainable Development (GRAD) and Livelihoods for Resilience (L4R). The applicant is also encouraged to collaborate with USAID and other donor funded nutrition and nutrition-sensitive projects, such as Feed the Future Ethiopia Food and Agriculture System Transformation (FAST) and Resilience and Food Security Activities (RFSAs).

Illustrative Outcome Indicators

- Minimum Dietary Diversity: Children 6–23 months of age who received foods from ≥ 5 out of 8 food groups during the previous day
- Minimum Meal Frequency: Children 6–23 months of age who received solid, semi-solid and soft foods the minimum number of times or more during the previous day
- Egg and/or flesh food consumption: Children 6–23 months of age who consumed egg and/or flesh food during the previous day
- Minimum Dietary Diversity for Women: Women 15-49 years of age who consumed at least five out of ten defined food groups the previous day or night

Illustrative Output Indicators

- HL.9.1. Number of children under five (0-59 months) reached with nutrition-specific interventions through USG-supported nutrition activities
- HL.9.2. Number of children under two (0-23 months) reached with community-level nutrition interventions through USG-supported programs
- HL.9.3. Number of pregnant women reached with nutrition-specific interventions through USG-supported programs
- HL.9.4. Number of individuals receiving nutrition-related professional training through USG-supported programs (required if applicable)

IR5: Improved market systems and commercialization

In order to achieve IRs 1-4, market systems must work better for the poor and, in particular, for PSNP clients. HRA will work with market actors (public and private) to address the key firm-level market failures that prevent PSNP communities and clients from more fully integrating into the rural economy and linking with urban centers. HRA will also facilitate and co-invest in public-private partnerships to implement innovative solutions to the identified key firm-level market failures. These solutions should result in the increased capacity of market and value chain actors to invest in and serve PSNP communities. HRA will also identify sectors of the economy, beyond agriculture and ag-processing, which have a high-potential for increased sales, investment and employment creation in targeted areas. HRA will work with existing business development services (BDS) to support enterprise-driven development and increased sales for PSNP client-owned on-farm and off-farm enterprises and create improved marketing and job opportunities for PSNP clients and increased availability of safe, diverse, nutritious foods.

- On Farm
    - Aggregators are functional and able to link with PSNP producers
    - Overcome constraints that aggregators face that prevent them from sourcing goods from PSNP producers
    - Increase access to larger urban markets for PSNP producers

- Off Farm
    - Help MSMEs grow their sales, production, and employment base

  - Identify sectors of the economy that have a high potential for generating jobs and foster the growth and expansion of SMEs in these sectors.
  - Identify SME constraints and work to overcome them.
  - Facilitate BDS for off-farm
  - Improve aggregation and, flow of goods and services to towns and cities

- Wage Employment
  - Improve off farm and wage employment by working with private sector to stimulate producer abilities to produce for the market
  - Work with the private sector to place PSNP clients into wage employment opportunities.

The applicants are expected to identify and propose appropriate indicators to track performance under this intermediate result.

IR6: Private investment and finance in highlands communities increased

In order to create the enabling environment for graduation of PSNP clients, HRA, through this intermediate result, will increase mobilization of credit by engaging the financial service providers, including banks, microfinance institutions, rural cooperative unions and VESA informal lending systems, as well as the provision of multiple financial services to selected PSNP clients. HRA will support financial services providers to expand their services and tailor their products to the needs of PSNP clients and to critical market/value chain actors that PSNP communities rely on. The effectiveness of the Loan Guarantee Fund (LGF) in facilitating credit access to the PSNP beneficiaries would be further explored and adjusted (if necessary) to the prevailing context to determine its application.

At a minimum, targeted beneficiaries will be able to have individual and/or group savings accounts (in banks or their VESA/VSLA groups) and apply for and receive individual and/or group loans from the financial services providers (mainly from the MFIs and rural cooperative unions). HRA will support and facilitate establishing accounts for unbanked people, facilitate access to loans to rural clients, actively engage in outreach to rural communities and will facilitate extending these savings and loan services, among others, to women, youth, and people with disabilities.

Beyond financial services, success in this intermediate result includes increased private sector investment in markets where targeted PSNP beneficiaries engage. Micro, small and medium enterprises that play critical roles in rural value chains will be engaged and supported to expand production and services. As the local economy integrates further with the region’s economy, targeted beneficiaries will find and take advantage of increased employment opportunities. Targeted beneficiaries are also consumers who will benefit from local production and service.

Applicants are encouraged to strengthen access to finance and growth capital for local businesses that provide fundamental services that increase the competitiveness and profitability of other local and regional businesses. Successful applicants will show realistically how constraints will be addressed, preferably in concert with other actors in the same geographic area.

- # of individual and/or group savings accounts created (in banks or their VESA/VSLA groups)
- # of PSNP clients who applied for and received individual and/or group loans
- # of enterprises accessed credit and credit amount disbursed to businesses
- # of underserved PSNP clients (e.g. women, youth, and people with disabilities) who are able to access financial services

IR7: Client-responsive public and private social services improved and expanded

In order to create the enabling environment for graduation of PSNP clients, HRA will contribute to improving the availability of and access to public and private social services critical to increasing the resilience, food and nutrition security, quality of life and social welfare of PSNP households. As a result of this effort, PSNP clients will have greater access to public and private services related to health, nutrition, WASH, and education. HRA will support public service delivery systems to ensure PSNP households are reached with quality services, including services such as MIYCN counseling, growth monitoring and promotion, acute malnutrition services, antenatal care, community-based health insurance (CBHI) and WASH services. Improved rural livelihoods will lead to the improvement of quality of life and wellbeing of the rural PSNP clients. Under this IR, HRA will initiate and promote innovative approaches that focus on quality and constraints to access as well as constraints that limit households' utilization of available services.

Greater access and utilization of services provided by the private sector plays a critical role to enhance the resilience of PSNP households. HRA will also support private sector services related to health, education, WASH and nutrition which improve the lives of PSNP clients, in areas where the government often lacks the resources to do so. HRA will identify strategic private sector partners and help overcome their barriers to extending their health, nutrition and WASH service provision to more PSNP households, as well as help private sector partners develop more adequate services that enhance the resilience of PSNP households.

Illustrative indicator:

- # of health facilities supported to improve service delivery
- # of people gaining access to basic drinking water services as a result of USG assistance
- Household dietary diversity score
- Value of public and private investment in PSNP areas

Lessons and experiences from the implementation of previous livelihoods activities particularly from Graduation with Resilience to Achieve Sustainable Development (GRAD) and the Livelihoods for Resilience Activity (L4R) made the foundation for the design of the Highlands Resilience Activity (HRA). Furthermore, the inputs and feedback from stakeholders (e.g, the GoE counterparts leading the implementation of the PSNP at federal and regional levels, other development partners supporting the PSNP implementation, the private sector, financial services providers and the implementing partners) was critical in informing the design of the HRA.

USAID/Ethiopia acknowledged the invaluable inputs from these stakeholders and commissioned a private consultant to conduct stakeholders' consultations at federal and regional levels. The full report produced by the consultant was available through this link. USAID-Livelihood- Stakeholder consultation Report.docx. Applicants are strongly encouraged to refer to this report.

A4. Cross-cutting Objectives

HRA will promote higher engagement among women and youth in livelihood activities and will develop strategies for increasing financial inclusion among these often-neglected groups. The activity will utilize climate change adaptation approaches in all its livelihood promotion activities and promotes income diversification at the household level to offset the impact of weather-based shocks. Furthermore, the HRA will apply a conflict sensitivity lens to all its programming to increase community cohesion and reduce resources-based conflict and considers crisis modifier interventions to respond to negative natural and/or man-made impacts during implementation.

Gender Equity and Integration

While Ethiopia has made steady progress, gender inequality persists in Ethiopian society and women and girls face significant barriers in accessing education, resources and livelihoods opportunities. Although women in Ethiopia participate in joint household decision-making and the government has sought to increase women's access to land and productive resources, significant gaps remain. HRA will promote higher engagement among women and youth in livelihoods activities and will develop strategies for increasing financial inclusion among these often-neglected groups. HRA will prioritize efforts to ensure that there are enabling factors and leadership opportunities for women and youth and that they are supported as agents of change. Integration of a gender-responsive approach must be context-appropriate and reflected throughout the activity. Efforts to ensure unintended consequences are considered and should be articulated in the application, especially related to increased protection concerns and risks. Women's empowerment—promoting women and girls' self-determination and transforming gender relations for the better are equally vital for attaining equitable food security that will be sustained over time. Applicants must consider women, gender and youth empowerment throughout each section of the application.

Factors demonstrating gender integration include, but are not necessarily limited to:

- Examples of how gender and age dynamics and roles could affect interventions and outcomes at key steps
- Recognition of the potential impact - positive or negative - of interventions on access to and control over resources and benefits for girls, boys, women, or men and how any negative consequences will be avoided or mitigated
- Consideration of how proposed interventions could affect women's time use and how this will be taken into account in planning interventions (e.g., mothers' participation resulting in less time for childcare and other familial activities)
- Plans for how the activity will ensure equitable participation and input from women and men from different age and socio-economic groups, with examples for different technical interventions
- Anticipation of how interventions could lead to, exacerbate, or affect gender-based violence at the household and community level, and the steps the activity will take to prevent or mitigate its occurrence should it occur; and
- How interventions will be tracked over time to ascertain any unintended consequences related to gender and gender-based violence.

The applicant must describe how the gender analysis results will be integrated into interventions and how gender changes, including unanticipated outcomes, will be tracked over time. Furthermore, to ensure compliance with the U.S. Women's Entrepreneurship and Economic Empowerment Act and USAID Policy ADS 205, the grantee will be required to conduct activity specific gender analysis within 6 months of activity startup. Findings of this analysis will need to be mainstreamed throughout the HRA implementation plan.

Youth Empowerment

Investing in youth is a key pathway towards sustainably reducing poverty, improving food security, and building resilience. Given the youth bulge in Ethiopia, investing in youth can help Ethiopia reap the long-term sustainable benefit of the demographic dividend.

Investing in youth, however, will need to consider multiple pathways to achieve sustainable results, given the current country context and challenges youth face. It is important to consider the unique vulnerabilities of different types of youths, such as early marriage for girls or migration in search of better opportunities for boys. Engaging adolescent girls in many development activities can prove extremely challenging given social norms that restrict girls' mobility out of concern for their safety and security and to protect family honor and social expectations that girls be married early to begin childbearing. Approaches that seek to work with youth therefore need to engage communities, households and families to create the social acceptance for girls and boys and young men and women to participate in these activities.

Applicants should pursue positive youth development strategies that view young people as key partners in all development efforts. Programming should take into account the disparities and constraints faced by different youth cohorts related to participation in the three livelihood pathways outlined in the PSNP5 design, particularly off-farm and employment.

Youth in Development at USAID is based on a Positive Youth Development approach focusing on four key domains:

- Assets: Youth have the necessary resources and skills to achieve desired outcomes. Programming should incorporate skills development through direct implementation or coordination with other initiatives.
- Agency: Youth can employ their assets and aspirations to act upon their own decisions. This requires that programs engage with families, adults, leaders, institutions, and policies to reduce any obstacles that prevent youth from participating and applying their assets.
- Contribution: Youth are encouraged, recognized, and able to be involved in and lead through various channels as a source of change. Meaningful participation requires dedicated time and funding to ensure that youth mobilize, lead, and contribute to design, implementation, monitoring, and evaluation.
- Enabling Environment: Youth are surrounded by an enabling environment that maximizes their assets, agency, access to services and opportunities, and ability to avoid risks while promoting their social and emotional competence to thrive. Developing high-quality, safe spaces, building relationships, and addressing norms, expectations, perceptions, and access to youth-responsive and integrated services help build enabling environments.

Please see USAID's Youth Policy for more information. In particular, applicants should consider approaches that aim to:

- Promote active and effective engagement of young people where possible in PSNP activities
- Empower young women without disenfranchising young men and consider carefully tailored opportunities for young women and young men, given the prevailing social norms and gendered roles and responsibilities assigned to their age and life-stage
- Strengthen relations and build ties among youth across identities and socio-economic distinctions
- Recognize that youth are not all the same; life context and differences such as gender, marital status, societal place, ethnicity, economic class, livelihood and other identity factors should be taken into account in all programming. How youth are affected by conflict (displaced, reintegrated, returnees, victims of violence, etc.) should be taken into account in all programming
- Consider the specific needs of different types of youth by age and life-stage, particularly adolescent girls, as tailoring programming to their specific needs and constraints will be critically important to achieving the intended programming objectives
- Promote intergenerational dialogue and encourage improved standing and better relations for youth and young adults within their families and their communities
- Respect the agency and aspirations of youth and young adults
- Give thought to the increased risk of exploitation for the young and advocate for their fair compensation and safe working conditions; and
- In the context of maternal and child health and nutrition in particular, tailor program efforts to meet the unique needs of married and unmarried adolescent girls.

Applicants are encouraged to use Participatory Learning and Action tools to guide youth participation for positive community change. Youth have roles to play in assessment, design, implementation and learning of this activity. For instance, consultation with youth or youth-led or serving organizations should be considered as options for meaningful youth engagement during design and implementation. Approaches that engage youth in community problem-solving; create leadership opportunities for youth, especially in initiating community dialogue; and strengthen social ties between youth, their families and communities are highly encouraged.

Illustrative Indicators

- YOUTH-3 Percentage of participants in USG-assisted programs designed to increase access to productive economic resources who are youth (15-29)
- Number of youth participants in group-based savings, micro-finance or lending programs
- Number of enterprises with all youth proprietors

Conflict Sensitivity

HRA should implement all activities through a conflict-sensitive approach. Conflict influences how the public and the private sector make investment decisions. Thus, addressing conflict will be integral to mobilizing new investment into the highlands. Conflict-sensitive practices are needed for effective adaptation in conflict and post-conflict environments to ensure that the actions minimize negative effects within a given context. Conflict analysis is a key component of conflict sensitive practices and should be carried out and linked with planned interventions and updated regularly in a conflict sensitive context.

Conducting a conflict sensitivity analysis at the initial design stage and then regularly reviewing as part of the monitoring process is an effective way to adapt to a conflict and post-conflict environment. Integrating conflict sensitivity in the design is also crucial to identifying areas where a project might be affected by a conflict. A strong risk and assumptions that integrate conflict sensitivity issues will aid effective monitoring and help ensure that flexibility is built into the implementation phase.

The activity should involve all the relevant stakeholders in each step. Capacity building of staff together with community participants (e.g. Youth peace ambassadors training by the Livelihoods for Resilience in Oromia - LRO) is also necessary, as it enables all actors to recognize conflict issues, identify how they relate to the activity and jointly devise solutions. Opportunities should be actively identified to reinforce community cohesion or dialogue through the interventions.

Environmental Analysis

Pursuant the Foreign Assistance Act, sections 118 and 119 of the Foreign Assistance Act of 1961, as amended, and Agency guidance on country strategy development, under ADS 201.3.9.1, ADS 201.3.9.2, and ADS 204, USAID/Ethiopia developed a Tropical Forest/Biodiversity assessment and an Environmental Impact Assessment coving the HRA activity. The Assessment analyzes direct environmental threats and their drivers (i.e., root causes) as the means to identify actions necessary for biodiversity and tropical forestry conservation. These necessary actions are discussed in terms of opportunities for USAID programming. The activity should incorporate the recommended actions in the design process.

USAID's mandatory life-of-project (LOP) environmental procedures require that the potential adverse impacts of USAID-funded and managed activities be assessed prior to implementation via the Environmental Impact Assessment (EIA) process defined by 22 CFR 216 (Reg. 216). They also require that the environmental management/mitigation measures ("conditions") identified by this process be written into award documents, implemented over LOP, and monitored for compliance and sufficiency.

Climate Change Adaptations

Climate resilience is about people's ability to cope with the shocks associated with climate change impacts. Building resilience takes people on a pathway from reducing their vulnerability to shocks and persistent food insecurity problems, to helping them to respond to change and actively plan around it. It focuses on building households' capacities to withstand the likely events associated with changing weather patterns and to manage the range of livelihood activities to ensure and improve their food security.

Linking public works and livelihood activities to climate smart initiatives provide an effective instrument that adapts to and manages disaster and climate risks. PSNP has been exploring ways to ensure that public works and household asset building activities contribute to the mitigation of disaster and climate change impacts. The Climate Smart Initiative (CSI) supports communities in the planning and implementation of climate smart public works and household asset building such as soil conservation, flood protection, water supply development, improved rangeland planning and community tree planting.

HRA will utilize climate change adaptation approaches in all of its livelihood promotion activities. The activity will promote shock responsive income diversification at the household level to offset the impact of weather-based shocks. Lessons learned from the CSI experience need to be incorporated and mainstreamed into the HRA activity. Woreda risk profiles and disaster risk reduction plans, which are being developed by the Government, can be used to further identify risk mitigation activities.

Innovation Fund

While the Highlands Resilience Activity is designed to build on the strengths and experience of previous livelihood activities, it also aims to explore new ideas to address the many challenges vulnerable PSNP households face. For some key challenges there are no proven solutions, no certain ways forward and multiple pathways possible. Initial approaches may run into unanticipated bottlenecks or unexpected problems and new ideas and opportunities might emerge during implementation. To address these challenges and opportunities, a grant fund scheme was introduced by the previous livelihood activities to 'buy down risks' and create incentives for innovating, experimenting by the private sector actors.

The grant mechanism will be important to the learning processes related to increasing livelihood opportunities for vulnerable individuals and households. The innovation grants will represent public good investments that are structured to strengthen the growth and inclusiveness of markets. They might be used to foster public-private partnerships aimed at addressing a major bottleneck or to buy down the risks of private sector investments in exploring new technologies, generating new jobs, developing new products, providing new services or opening up new market channels. Grants might also be used to learn about how to effectively link livelihoods with nutritional outcomes and women's economic empowerment.

Grant recipients might include NGOs, Civil Society Organizations (CSOs), research institutes, Universities, MFIs, Cooperatives and the private sector to carry out a wide range of activities. Some illustrative examples include piloting new technologies, including testing for effective demand and further test existing but unproven technologies; research and pilot tools for fostering the adoption of new technologies to improve productivity and incomes and build livelihood assets; catalyze or test innovative business models that are able to scale inputs and services for on-farm and off-farm activities; create incentives for private sector investments using appropriate cost sharing, loan guarantees, pay for success or other incentives to buy down the risks of private sector innovation; initiate/expand financial innovations in improving product designs, delivery channels and innovative forms of collateral to improve access to and use of a range of financial services; identify and pilot efforts to expand nutrition-sensitive livelihood approaches to foster adoption of nutrition and hygiene behaviors; pilot approaches to leverage collaboration and programmatic linkages with other partners, and pilot different approaches to layering of interventions, experiment with digital technologies to support interventions and CLA.

Innovation grants will be relatively small in size unless a good justification can be made to USAID for a larger grant as high as $50,000. For the most part, grants should be small and targeted to address key livelihood system barriers. Furthermore, the grants should build on experience and learning from past grants under L4R and GRAD to further support their sustainability and scalability.

While ensuring the effective use of grants will be key, grant management is equally important and critical. Critical to successful management of Innovation Fund is the development of a Grant Management Manual that outlines, at a minimum, the procedures for receiving, approving and awarding grants, funding arrangements, accountability and internal controls, reporting and monitoring of the grants. All grants under the Innovation Fund must comply with USAID environment regulations (“Reg 216”).

A5. Reporting Requirements

Below are the reporting requirements under the Highland Resilience Activity (HRA) cooperative agreement.

a. **Financial Reporting: -** Recipients of USAID funding must submit the Federal Financial Form (SF-425) on a quarterly basis via electronic format to the AOR and USAID ’s Financial Management Office.

b. **Activity Planning: -** Activity planning reports cover the reports that are critical to USAID/Ethiopia’s ability to be substantially involved in this Activity. These include annual work plans and a monitoring, evaluation, and learning plan.

I. Annual Work Plans

The Recipient will submit an annual work plan that describes all proposed activities, including expected accomplishments and progress towards achieving results. The work plan for each fiscal year will be finalized in consultation with USAID/Ethiopia with approval by the AOR. If during the course of implementation, the Recipient wishes to make changes to the plan, the Recipient must submit the requested changes in writing for technical review and get approval of the revised plan from the AOR. Details on the Work Plan will be provided in the award document.

II. Monitoring, Evaluation and Learning/Collaborating, Learning, and Adapting (CLA)

1. **Monitoring, Evaluation and Learning (MEL)**

USAID expects the Recipient to have a robust MEL Plan that is fit-for-purpose to enable evidence-driven adaptation by both the Recipient and USAID. The MEL Plan outlines the approaches and resources for learning opportunities for adaptation, measuring results and achievements of activity, collaborating, and adapting.

The MEL plan must include sex disaggregated indicators to track accomplishments in relation to the Activity's goals and objectives and to track the performance of the Activity in achieving outcomes specific to the priority areas and its contribution to the higher-level results of USAID Ethiopia's FTF investments. Primarily, it should include those indicators that the Mission needs for activity management and align with the results framework. The successful Applicant will finalize the performance monitoring indicators in consultation with the USAID AOR.

Applicants should also propose a strategy for collecting, analyzing and reporting data in the MEL plan and include a strategy for aligning with and complementing performance monitoring indicators and data collection with other relevant projects such as RFSAs. This will support the HRA's objective of effective layering with other USAID activities, improve the efficiency and reduce the cost of data collection efforts across activities and generate a base of information to assess the combined impact of interventions.

Given that the Mission has invested significantly in generating baseline and performance data on graduation interventions and related activities, the draft MEL plan should be informed by these investments. The draft MEL plan should include a proposed approach for i) coordinating activities with an external impact evaluation and ii) identifying what performance monitoring data might be needed to support the impact evaluation. For example, monitoring data at the household and, where relevant, individual or enterprise levels, on the number and type of interventions received would be necessary to evaluate the plausible contribution of the HRA. Details will be provided in the award document.

Site visits to the HRA operational areas will also occur any time after the initial six-month period of implementation. For the first six months, USAID/Ethiopia staff will meet regularly with the activity staff to ensure that start-up activities are on track.

At any time during the HRA implementation, USAID will conduct one or more external performance evaluation(s) to review overall progress, assess the continuing appropriateness of the design and identify any factors impeding effective implementation. USAID would use the results of the evaluations to make appropriate course-corrections in implementation, if needed, and to help determine appropriate future directions. The baseline survey will be conducted within six to one-year of the start of implementation and the mid-term could be initiated at approximately 30 months from the award date or at any time during the implementation if need arises. The end-term evaluation may also be initiated based on information needs and availability of funds. The successful implementing partner must make sure USAID and the implementing partner are engaging and collaborating productively in the entire evaluations process and must facilitate full, transparent, and timely access to data, documentation, personnel, and key stakeholders as appropriate for the completion of the evaluations.

In cases where the implementing partner prefers to conduct an internal performance evaluation for its own institutional learning or accountability purposes, it is critical to dedicate sufficient funding within its application.

2. **Collaborating, Learning, and Adapting (CLA)**

USAID has integrated Collaborating, Learning and Adapting into all aspects of its operations and programming to achieve better development outcomes. Collaboration is a priority area for USAID Ethiopia, given the importance of coordinating with GoE at federal, zonal, and *woreda* levels; with other USAID Ethiopia investments and with market system actors, including households, communities, development groups (that include VESAs), RuSACCOs, microfinance institutions, cooperatives, common interest groups, and other local entities. This collaboration will enable the HRA to scale up the layering and sequencing of past successful activities as "good practices." Collaboration is necessary to avoid/minimize duplication and conflict of interests, learn and exchange lessons and experiences (e.g. could be done through multi stakeholders' platforms at relevant levels). The collaboration must go beyond the layering and sequencing of activities. It should support learning from best practices and/or failure stories (if any) as well as promote scaling up and adaptation.

USAID believes that ongoing learning throughout implementation contributes to the achievement of results. Ongoing learning allows activities to discover what is working, what is not and why and adapt interventions and/or tactics accordingly. Adaptation requires flexibility including the ability to drop unsuccessful experiments, adapt them or start as new as well as targets and indicators that are based more on outcomes than outputs.

The recipient will be required to regularly (at least on a quarterly basis) reflect on progress of Activity implementation and achievements towards the goal and objectives of the Activity. Reflection opportunities may also focus on challenges and successes in implementation, changes in the operating environment or context that could affect the activity, opportunities to collaborate with other USAID partners. The detailed format of the presentation and its contents will be developed in collaboration with the AOR.

The independent CLA platforms established at the Mission may assist with convening the pause and reflect session with recipient and other USAID partners operating in the highlands of Ethiopia and stakeholders to ensure linkages and synergistic learning across the USAID Ethiopia Mission portfolio.

c. Performance Reporting

Performance reporting, to be outlined in the MEL Plan, is intended to ensure that USAID has sufficient information to effectively monitor the Activity's performance. This includes any information regarding any development that may have a significant impact on performance, including, but not limited to challenges encountered, and relevant context and information on costs incurred compared to the approved budget plan for the Agreement. The Activity's Performance Monitoring Reporting differs from Financial Reporting as the latter is intended to address cash flow needs and not performance.

I. Quarterly Progress Check-in Presentations: - The Implementing Partner will provide a short 30-minute presentation quarterly to the USAID/Ethiopia and it shall be used as an adaptive management tool. The presentation may include a summary of activities and key results and achievements; information on management issues, including administrative, or coordination problems; a comparison of actual accomplishments established for the period; reasons why planned activities did not take place (if applicable); other pertinent information as specified by the AOR in writing; and plans and intended outputs for the following quarterly period.

II. Quarterly Expenditure Reports: - The Recipient will submit a brief separate quarterly Expenditure Report to USAID within 30 calendar days after the end of each quarter of the fiscal year during the performance period. The Expenditure Report, and Progress Check-in Presentations shall be submitted together.

III. Quarterly Performance Reports: -The Recipient will submit a brief separate quarterly Performance Report to USAID within 30 calendar days after the end of each quarter of the fiscal year during the performance period.

IV. Annual Performance Reports: - The Recipient will submit annual reports to USAID within 30 calendar days after the end of the reporting period. In this regard, note that the USAID's annual reporting time covers the period from October 01 to September 30. Upon receiving AOR approval, the approved Annual Report shall be submitted to the USAID's DEC.

V. Close out Report: - As part of the close out procedures, the recipient will be required to submit a demobilization plan to the AOR's approval 180 days prior to the completion date of the award.

VI. Final Performance Report: - The Final Performance Report will cover the entire period of the award. The Recipient shall submit a draft of the final report to the AOR within 90 days following the estimated completion date of the cooperative agreement.

d. Activity Location Data

USAID's policy Development Data (ADS 579) establishes the requirements governing USAID's development data lifecycle from collecting data to making it accessible. To fulfill the requirements of ADS 579 and promote best practice geographic data collection and management, the recipient will be required to catalog and spatially map interventions and any construction activities at a village and/or community level. The purpose of this requirement is to facilitate purposeful activity monitoring, as well as to improve the use of such data/mapping efforts for learning, planning, and adaptation of the Highland Resilience Activity.

The recipient is strongly encouraged to explore the suite of emerging tools that integrate geospatial data with data collection to better facilitate remote monitoring in insecure environments.

Activity Location Data must be submitted to an Agency approved reporting tool or in a digital format according to the standards and procedures provided by USAID. The requirements to submit the Activity Location Data includes the location of the activity's intended beneficiaries that must be collected at the regional, zonal or woreda level or at a more granular level defined by the Activity Description, e.g. exact Site Location such as Kebele, or village or health or school facility.

Activity Location Data must exclude personally identifiable information. If the Activity Location Data collected by the Recipient requires protection from unauthorized access to mitigate data risk, the Recipient must notify USAID before submitting the Activity Location Data to USAID and implement mitigation techniques to protect the data from unauthorized access in consultation with USAID.

In addition to collecting and submitting Activity Location Data and geographically disaggregated performance indicators (when included in the MEL Plan), all other geographic data assets must also be submitted to the Development Data Library and according to the requirements. For additional guidance, see ADS 579saa Geographic Data Collection and Submission Standards.

e. Close out Plan

The Recipient will be requested to provide a closeout plan for all activities (administration, information, finance, procurement and management) for review and approval, no less than 180 days before the end date of the Cooperative Agreement.

f. Submission to the Development Experience Clearinghouse and Publications

The recipient must provide the AOR one copy of any Intellectual Work that is published, and a list of any Intellectual Work that is not published. In addition, the recipient must submit Intellectual Work, whether published or not, to the DEC, either on-line (preferred) or by mail. The recipient must review the DEC Web site for submission instructions, including document formatting and the types of documents to submit. Submission instructions can be found at: Development Experience Clearinghouse.

The recipient must not submit to the DEC any financially sensitive information or personally identifiable information, such as social security numbers, home addresses and dates of birth. Such information must be removed prior to submission. The Recipient must not submit classified documents to the DEC.

A6. Crisis Modifier (CM)

Experiences from previous livelihoods activities (GRAD and L4R) implementation informed that the execution of Crisis Modifiers (CM) was critical to protect the development gains of activities during times of crisis (natural or manmade) and prevent distress sale of assets as a negative coping mechanism by beneficiaries. The benefit of building crisis modifiers into the design is far better than modifying the crisis modifier interventions into the agreements when the crisis happens. Applicants are encouraged to explore crisis modifier interventions (including triggering mechanisms), anticipated types of disasters and responses, estimated amount of budget for responses and potential locations of the interventions and present in their applications.

The crisis modifier provision is activated upon receipt of a written instruction signed by the Agreement Officer stating that "the Crisis Modifier provision set forth in Section A is hereby activated." This activation notice will also provide the estimated amount involved and other guidance on the type and location of potential activities to be conducted. This provision can be activated as many times as USAID/Ethiopia determines is appropriate over the period of performance of the Cooperative Agreement. However, no additional activities will be required until the Recipient and USAID/Ethiopia jointly agree in writing to a revision or update to the Implementation Plan.

A7. Local Ownership and Sustainability

HRA will coordinate its interventions with the Government of Ethiopia (GOE) PSNP5's core programming and support the Big-Push Initiative for livelihoods promotion. The design of the HRA is guided by USAID's CDCS and falls within the highlands project. Furthermore, the design is informed by the general design framework of the GoE's PSNP5 program with particular reference to the design of the livelihood component. The design fits with and is guided by the PSNP program implementation manual and works in collaboration with the government and other development partners supporting the PSNP. The Livelihoods Technical Committee of the PSNP5 to which USAID is a core member will also help to inform the HRA to develop adaptive strategies to any changes in the overall program and provide an opportunity to share learning experiences among the PSNP implementing agencies.

The HRA implementing partner/s are required to coordinate and collaborate with all relevant stakeholders at national and local levels in the planning, implementation and monitoring of the activity. Local stakeholders at woreda and kebele level will be key stakeholders during the planning and implementation and play a critical role to ensure the sustainability of the services beyond the life of the activity. The HRA will collaborate and work with the private sector (e.g., financial services providers, ag. inputs suppliers, traders, retailers, manufacturers etc.) and will support the stakeholders to build their sense of ownership and ensure the sustainability of the services. Direct beneficiaries of the activity are critical stakeholders and will be engaged and empowered throughout the planning and implementation phases. Youth and women will be provided special attention in the HRA design and implementation.

A8. Key Personnel

Key Personnel are those individuals whose performance is critical to the success of the Cooperative Agreement. The following represent the five Key Personnel positions that are considered essential for implementation of the Highlands Resilience Activity.

1. Chief of Party
2. Deputy Chief of Party
3. Livelihoods Specialist
4. Market Systems/Value Chain Specialist
5. Financial Services for the Poor Specialist

The minimum requirements and responsibilities of key personnel under this Contract are as follows.

1. Chief of Party (COP)

- **Program Roles**: The COP will be responsible for the overall program leadership, management, and technical direction of staff and consultants, project activities such as implementation, monitoring, reporting and evaluation, and partner coordination. He/she is supposed to serve as key liaison with USAID, government counterparts, and local partners. The COP will manage and supervise the work of program personnel and subcontractors/ subgrantees and ensure that all program assistance is technically sound and appropriate. He/she also oversees program work planning, performance management, and strategic communication.

- **Education**: Master's degree or equivalent in Agriculture, Economics, or Rural development is preferred. Applicable experience in the fields of food security, livelihoods and related work can also be considered relevant.
- **Specialized knowledge/skills:** Demonstrated ability to be collaborative across activities and strong communications and interpersonal skills, with evidence of ability to productively interact with a wide range and levels of organizations (government, private sector, other activities, NGOs**.**
- **Experience**: Demonstrated expertise and a minimum of 7 years of chief-of-party experience in managing large (preferably $15 million and above), livelihood, agricultural development and/or inclusive market systems programs with a market-orientation, preferably within an African context preferred.
- **Language**: Fluency of English in reading/writing/speaking (Level IV) is required.

2. Deputy Chief of Party (D/CoP)

- **Program Roles**: DCOP serves as technical director who will be responsible for providing managerial, technical and operational guidance for the activity. His/her primary responsibilities will be to ensure that the program functions in line with technical priorities of the local structure and in line with USG regulations. Thus he/she will need to work closely with the Technical Advisors, the Finance Officer, Operational Manager, and the COP. He/She will act as the COP in the absence of the CoP.
- **Education**: Master's degree or equivalent in Agriculture, Economics, or Rural development is preferred. Applicable experience in the fields of food security, livelihoods and related work can also be considered relevant.
- **Specialized knowledge/skills:** Management skill in designing, managing, and implementing, monitoring and evaluation of donor-supported programs as well as technical skill in managing livelihoods and food security related activities.
- **Experience**: At least 7 years of demonstrated experience managing operational, project management and administrative duties for the U.S. Government–funded projects or other internationally funded programs. Previous experience in food security, and livelihoods related activities in Ethiopia is an asset.
- **Language**: Fluency of English in reading/writing/speaking (Level IV) is required.

3. Livelihoods Specialist

The Livelihood Specialist shall have the following skills and experience.

- **Education:** Master's degree or equivalent in Agricultural Economics/Agriculture, Rural Development, Economics or related fields preferred.
- **Experience:** Minimum 5 years demonstrated experience with USG or other similar development projects focusing on livelihoods (preferably with experience related to on-farm, off-farm and employment livelihoods), resilience and vulnerable households, with understanding of the Ethiopian context

- **Knowledge and Skills**: Demonstrated ability to work and coordinate effectively with a wide variety of stakeholders, including national and local government, donors, community-based organizations, and the private sector.
- **Language:** Spoken and written proficiency in English

4. Market Systems/Value Chain Specialist

The Market Systems /Value Chain Specialist shall have the following skills and experience.

- **Education:** Master's degree or equivalent in agricultural Economics/Agriculture, Marketing, Economics or related fields preferred.
- **Experience:** Minimum 5 years demonstrated experience with USG or other similar development projects focused on value chain or market systems development, including improving financial services for the poor, with understanding of the Ethiopian context.
- **Knowledge and Skills:** Demonstrated ability to work and coordinate effectively with a wide variety of stakeholders, including national and local government, donors, community-based organizations, and the private sector.
- **Language:** Spoken and written proficiency in English.

5. Financial Services for the Poor Specialist

Financial Services for the Poor Specialist shall have the following skills and experience.

- **Education:** Master's degree or equivalent in agricultural Economics/Agriculture, Rural Development, Economics or related fields is preferred.
- **Experience:** Minimum 5 years demonstrated experience with USG or other similar development projects focused on financial services for the poor, including credits, savings, insurance, payment systems, and remittance services, preferably with understanding of the financial services context in Ethiopia.
- **Knowledge and Skills:** Demonstrated ability to work and coordinate effectively with a wide variety of stakeholders, including national and local government, donors, cooperatives, community-based organizations, and the private sector.
- **Language:** Spoken and written proficiency in English.

[END OF SECTION A]

SECTION B: FEDERAL AWARD INFORMATION

B.1 Estimate of Funds Available and Number of Awards Contemplated

USAID intends to award one to two Cooperative Agreement(s) pursuant to this notice of funding opportunity. Subject to funding availability and at the discretion of the Agency, USAID intends to provide up to $60 million in total USAID funding over a five-year period including the crisis modifier line item of $3 million (5%) to respond to an emergency (See Section A.6 above). The total estimated amount will consist of $57 million in core activities and $3 million in crisis modifier activities. Actual funding amounts are subject to availability of funds and internal USAID approvals. USAID reserves the right to fund any or none of the applications submitted.

B.2 Expected Performance Indicators, Targets, Baseline Data, and Data Collection

Please see Section A the Program Description for expected performance indicators, targets, and baseline data.

B.3 Start Date and Period of Performance for Federal Awards

The anticipated period of performance is five years. The estimated start date will be upon signature of the award or as determined by the Agreement Officer.

B.4 Substantial Involvement

Consistent with ADS 303.3.11, USAID/Ethiopia anticipates a close working partnership with the Recipient on the HRA activity. USAID will exercise substantial involvement under this Cooperative Agreement in the following ways:

a. Approval of the Recipient's Annual Implementation Plans during performance by the designated Agreement Officer's Representative (AOR). Significant changes to the approved Annual Work Plan will require additional AOR approval.

b. Approval of the Recipient's Learning, Monitoring, and Evaluation (LME) Plan by the AOR.

c. Approval of the selection of Key Personnel and Any Replacements. The positions indicated below have been designated as key to the successful implementation of the activity and realization of the goal of this Agreement. Prior to hiring and/or replacing any key personnel, the Recipient is required to notify both the Agreement Officer and the AOR reasonably in advance and seek their written concurrence. In case of replacement, the Recipient is required to submit a written justification of the decision, including proposed substitutions, in sufficient detail and equal qualifications to permit evaluation of the impact on the Activity. No replacement of these specified key personnel shall be made by the Recipient without prior written consent of the Agreement Officer.

1. Chief of Party (COP)

2. Deputy Chief of Party
3. Livelihoods Specialist
4. Market Systems/Value Chain Specialist
5. Financial Services for the Poor Specialist

d. Concurrence of Sub-Awards. The AO will approve sub-awards, transfer, or contracting out of any work under an award pursuant to 2 CFR 200.308. USAID's review and approval of substantive provisions of proposed subawards or contracts (see definitions in 2 CFR 200).

e. USAID's monitoring to allow direction or redirection because of interrelationships with other U.S. Government Activities. USAID may provide directions to the Recipient to help achieve results through coordination with other activities sponsored by the U.S. Government or other donors, to avoid duplication of effort, and in adherence to U.S. foreign policy.

f. Coordination with the Government entities. The Recipient must notify and discuss with the AOR any planned coordination meetings with government entities/personnel. USAID will inform the Recipient if USAID participates in discussions or meetings with any governmental entity or personnel.

g. Halt of Construction and Infrastructure Activities: USAID reserves the right to immediately halt any construction and renovation activity where the specifications, including compliance with USAID specific and/or local regulations and standards concerning construction, quality, zoning, safety, and environmental practices and other terms of the award are not met. The recipient is required to submit construction/renovation, engineering and design work plans for USAID's prior review and obtain prior written approval.

B.5 Authorized Geographic Code

The geographic code for the procurement of commodities and services under this program is **935,** which includes the United States, the Recipient country, and developing countries other than advanced developing countries, but excluding any country that is a prohibited source.
For more information on authorized geographic code, please see ADS 310:
https://www.usaid.gov/sites/default/files/documents/310.pdf**.**

B.6. Nature of the Relationship between USAID and the Recipient

The principal purpose of the relationship with the Recipient and under the subject program is to transfer funds to accomplish a public purpose of support or stimulation of the USAID Ethiopia "Highlands Resilience Activity" which is authorized by Federal statute. The successful Recipient will be responsible for ensuring the achievement of the program objectives and the efficient and effective administration of the award through the application of sound management practices. The Recipient will assume responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.

B.7 Accountability

The Recipient will be fully responsible for all funds disbursed to it under the award. USAID Ethiopia Recipients and significant sub-recipients are subject to the audit requirements as mandated under the annual appropriation law and in accordance with the regulations. In addition, all awards for U.S. and non-U.S. recipients will be subject to annual financial audits (see section F.6.10). U.S. sub-recipients will also be subject to annual financial audits should the sub-recipients incur expenditures of federal funds totaling $750,000 or more during its fiscal year. Non-U.S. sub-recipients will be subject to annual financial audits should the sub-recipients incur expenditures of federal funds totaling $750,000 or more during its fiscal year. USAID/Ethiopia has the discretion to audit sub-recipients at a lower threshold if deemed necessary.

The Recipient must comply with all applicable U.S. laws and regulations. Failure to comply with applicable U.S. law and regulations may result in unallowed costs and/or termination of award

B.8 Title to Property

Property Title under the resultant Agreement will vest with the Recipient in accordance with the requirements of 2 CFR 200.

[END OF SECTION B]

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SECTION C: ELIGIBILITY INFORMATION

C.1 Eligible Applicants

Eligibility for this NOFO is not restricted, except that individuals and government entities are not eligible.

U.S. and Non-U.S. Non-Profit Organizations (NGOs)
Qualified U.S. and non-U.S. private non-profit organizations or non-profit organizations, including universities, research organizations, professional associations, and relevant special interest associations, may apply for funding under this RFA.

U.S. and Non-U.S. For-Profit Organizations
Qualified U.S. and non-U.S. private for-profit organizations may apply for funding under this RFA. Foreign government-owned parastatal organizations from countries that are ineligible for assistance under the FAA or related appropriations acts are ineligible. Potential for-profit Applicants should note that, pursuant to 22 CFR 226.81, the payment of fee/profit to the prime recipient under grants and cooperative agreements is prohibited. However, if a prime recipient has a subcontract with a for-profit organization for the acquisition of goods or services (*i.e.*, if a buyer-seller relationship is created), fee/profit for the subcontractor may be authorized.

Private Voluntary Organizations (PVO)
A local or indigenous PVO, which by definition is a non-U.S. PVO operating in the same foreign country in which it is organized, is eligible to receive funding. Local PVOs are not required to register with USAID.

Public International Organizations (PIOs)
PIOs are eligible to apply for funding under this RFA. Please see Automated Directives Series (ADS) 308 for USAID policy on defining PIOs. http://www.usaid.gov/policy/ads/300/308.pdf

New Partners
USAID encourages applications from new partners. Resultant awards to these organizations oblige USAID to undertake necessary pre-award reviews of these organizations to determine their "responsibility" in regard to fiduciary and other oversight responsibilities of the grant/cooperative agreement. In order for an award to be made, a USAID Agreement Officer must make an affirmative determination that the Applicant is "responsible," as discussed in ADS 303.3.9. Prior to making an award under this competition, USAID may perform a pre-award survey for organizations that are new to working with USAID ("NUPAS") or for organizations with outstanding audit findings. Accounting systems, audit issues and management capability questions may be reviewed as part of this process. If notified by USAID that a pre-award survey is necessary, Applicants must prepare in advance the required information and documents. A pre-award survey does not commit USAID to make an award to any organization.

USAID welcomes applications from organizations that have not previously received financial assistance from USAID.

Faith-based organizations are eligible to apply for federal financial assistance on the same basis as any other organization and are subject to the protections and requirements of Federal law.

C.2 Cost Sharing or Matching

While a cost-share agreement isn't a prerequisite to making this award, USAID expects the recipient to propose a cost-share agreement (including in-kind cost-share contribution) to support implementation of the HRA. USAID expects the recipient/recipients to propose at least 10% in cost share. The HRA award, like its predecessor activity, is essentially a livelihoods promotion at household level. It does not have any provision for capital funding or any type of construction assistance.

Cost Share must be supported by adequate documentation, be allowable under the applicable cost principles, and meet the criteria set forth in 2 CFR 200.306. In-kind contributions are allowable as cost sharing in accordance with 2 CFR 200.306. Cost sharing contributions may include volunteer services provided by professional and technical personnel; valuation of donated supplies, equipment, and other property; and, use of unrecovered indirect costs. Funds that are paid by the Federal Government through another source may **not** be used by an organization in cost share calculations (see 2 CFR 200.306). Cost share contributions must be reported on a periodic basis on payment forms, and USAID has the right to reduce its share of funding if the cost share reported is less than the agreed upon percentage or amount contained in the award. Grantees should be prepared to distinguish in their reporting the outputs and outcomes that result from cost share contributions versus USAID monies. If a difference remains after an award has expired, the Recipient may be required to refund the difference.

USAID does not apply its source and nationality requirements, or the restricted goods provision established in the Standard Provision "USAID Eligibility Rules for Goods and Services" to cost sharing contributions.

The AO may authorize the Recipient to attribute cost sharing contributions from sub-recipients to the prime award.

C.3 Risk Assessments

For an award to be made, the USAID Agreement Officer must evaluate the risks posed by Applicants as outlined in 2 CFR 200.205 and ADS 303.3.9. This means that the Applicant must possess, or must have the ability to obtain, the necessary management and technical competence to conduct the proposed activity and must agree to practice mutually agreed-upon methods of accountability for funds and other assets provided or funded by USAID.

In evaluating the risks posed by Applicants, USAID uses a risk-based approach and may consider:

i. Financial stability;
ii. Quality of management systems and ability to meet the management standards prescribed in this part;

iii. History of performance. The Applicant's record in managing Federal awards, if it is a prior Recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;
iv. Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits;
v. The Applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities; and
vi. That the Applicant is otherwise qualified to receive an award under applicable laws and regulations (e.g., Nondiscrimination, Lobbying, Debarment/Suspension, Terrorist Financing, etc.).

In the absence of a positive risk assessment, an award ordinarily cannot be made. Awards to potential new Recipients may be significantly delayed if USAID must undertake necessary pre-award reviews of these organizations to make an adequate risk assessment. These organizations should take this into account and plan their implementation dates and activities accordingly.

The successful Applicant(s) will be subject to a positive risk assessment by the Agreement Officer (AO). A positive risk assessment means that the applicant possesses or has the ability to obtain the necessary management competence to plan and carry out the assistance program to be funded, and that the applicant will practice mutually agreed upon methods of accountability for funds and other assets provided by USAID.

C.4 Number of Applications

Each applicant is limited to one application submission under this NOFO as the prime Applicant.

There is no limitation on being included as a potential sub-awardee across multiple applications. The use of exclusive teaming arrangements is discouraged.

[END OF SECTION C]

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SECTION D: APPLICATION AND SUBMISSION INFORMATION

D1.Agency Point of Contact

Name: Mr. Belay Teame
Title: Acquisition & Assistance Specialist, USAID/Ethiopia
Email Addresses: bteame@usaid.gov and caddis@usaid.gov

Name: Mr. Admir Serifovic
Title: Supervisory Agreement Officer, USAID/Ethiopia
Email Addresses: aserifovic@usaid.gov

The above contact information is only for informational purposes. The NOFO itself and any subsequent amendments can be found at www.grants.gov. All Applications must be submitted according to instructions contained in this NOFO.

In order to maintain a fair and transparent funding opportunity, USAID maintains strict guidelines on who within USAID may be contacted regarding applications or questions about the opportunity. Applicants may only contact USAID via the email address provided in this NOFO. Failure to comply with the USAID points of contact guidance mandated in the NOFO may disqualify the Applicant(s).

D2.Questions and Answers

Questions regarding this NOFO should be submitted in writing through e-mail address to the Contracting Office mailbox at caddis@usaid.gov. The subject line must state "**Questions HRA NOFO 72066323RFA00004"** no later than the date and time indicated on the cover letter, as amended. Any information given to a prospective applicant concerning this NOFO will be furnished promptly to all other prospective applicants as an amendment to this NOFO, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective applicant.

D3.General Content and Form of Application

USAID/Ethiopia will accept applications from the qualified entities as defined in Section C of this NOFO. The Applicant should follow the instructions set forth herein. If an applicant does not follow the instructions, the application may be downgraded and may not receive full credit under the applicable merit review criteria, or, at the discretion of the Agreement Officer, be eliminated from the competition.

Preparation of Applications:
Each applicant must furnish the information required by this NOFO. Applications must be submitted in two separate parts: the Technical Application and the Business (Cost) Application. This subsection addresses general content requirements applying to the full application. Please see subsections 5 and 6, below, for information on the content specific to the Technical and Business (Cost) applications. The Technical application must address technical aspects only

while the Business (Cost) Application must present the costs, and address risk and other related issues.

Both the Technical and Business (Cost) Applications must include a cover page containing the following information:

Notice of Funding Opportunity (NOFO) number:	72066322RFA00004
Applicant name:	
Project title:	
Proposed period of performance:	
Applicant's full address and telephone number (Primary or lead applicant)	
Identification and signature of the primary contact person (by name, title, organization, mailing address, telephone number and email address) and the identification of the alternate contact person (by name, title, organization, mailing address, telephone number and email address)	
Name of any proposed sub-recipients or partnerships (identify if any of the organizations are local organizations, per USAID's definition of 'local entity' under ADS 303.)	
Name and Signature of Individuals authorized to negotiate terms, conditions and countersigns the award (title/ position, email address, telephone number)	
Organization Unique Entity Identify (UEI) for prime-applicants and sub-awardees/partners.	
- Tax identification number, and - Letter of Credit (LOC) number for the applicant, if available	
Total USAID funds requested (***NB***. *Don't include this cost information in the technical application*)	

Any erasures or other changes to the application must be initialed by the person signing the application. Applications signed by an agent on behalf of the applicant must be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

Applicants may choose to submit a cover letter in addition to the cover pages, but it will serve only as a transmittal letter to the Agreement Officer. The cover letter will not be reviewed as part of the merit review criteria.

Applications must comply with the following:

- USAID will not review any pages in excess of the page limits noted in the subsequent sections. Please ensure that applications comply with the page limitations.
- Written in English.
- Use standard 8 ½" x 11", single sided, single-spaced, 12 point Times New Roman font, 1" margins, left justification and headers and/or footers on each page including consecutive page numbers, date of submission, and applicant's name.
- 10 point font can be used for graphs and charts. Tables however, must comply with the 12 point Times New Roman requirement.
- Submitted via Microsoft Word or PDF formats, except budget files which must be submitted in Microsoft Excel.
- The estimated start date identified in Section B of this NOFO must be used in the cost application.
- The technical application must be a searchable and editable Word or PDF format as appropriate.
- The Cost Schedule must include an Excel spreadsheet with all cells unlocked and no hidden formulas or sheets. A PDF version of the Excel spreadsheet may be submitted in addition to the Excel version at the applicant's discretion, however, the official cost application submission is the unlocked Excel version.

Applicants must review, understand, and comply with all aspects of this NOFO. Failure to do so may be considered as being non-responsive and may be evaluated accordingly. Applicants should retain a copy of the application and all enclosures for their records.

D4. Application Submission Procedures

Applications in response to this NOFO must be submitted no later than the closing date and time indicated on the cover letter, as amended. Late applications will not be reviewed nor considered. Applicants must retain proof of timely delivery in the form of system generated documentation of delivery receipt date and time and/or confirmation from the receiving office.

Email submission
Applications must be submitted by email to caddis@usaid.gov. Email submissions must include the NOFO number and applicant's name in the subject line heading. In addition, for an application sent by multiple emails, the subject line must also indicate whether the email relates to the technical or cost application, and the desired sequence of the emails and their attachments (e.g. "No. 1 of 4", etc.). For example, if your cost application is being sent in two emails, the first email should have a subject line that states: "[NOFO number], [organization name], Cost Application, Part 1 of 2".

Telegraphic or faxed or hard copy applications are not authorized for this NOFO and will not be accepted.

Applicants may upload applications to http://www.grants.gov. USAID bears no responsibility for data errors resulting from transmission or conversion processes associated with electronic submissions.

After submitting an application electronically, applicants should immediately check their own email to confirm that the attachments were indeed sent. If an applicant discovers an error in transmission, please send the material again and note in the subject line of the email or indicate in the file name if submitted via grants.gov that it is a "corrected" submission. Do not send the same email more than once unless there has been a change, and if so, please note that it is a "corrected" email.

Applicants are reminded that email is NOT instantaneous, and in some cases delays of several hours occur from transmission to receipt. Therefore, applicants are requested to send the application in sufficient time ahead of the deadline. For this NOFO, the initial point of entry to the government infrastructure is the USAID mail server.

There may be a problem with the receipt of *.zip files due to anti-virus software. Therefore, applicants are discouraged from sending files in this format as USAID/Ethiopia cannot guarantee their acceptance by the internet server.

Each email with file attachments must not exceed 25MB in size.

D5. Technical Application Format

The technical application should be specific, complete, and presented concisely. The application must demonstrate the applicant's capabilities and expertise with respect to achieving the goals of this program. The application should take into account the requirements of the program and merit review criteria found in this NOFO.

The Technical Application will be the most important item of consideration in selection for award of the proposed Cooperative Agreement. Therefore, it should be specific, complete and concise. The Technical Application will consist of the sections presented below. For ease of review, please place a header at the beginning of each new section.

(a) Cover Page (not included in page limitations)

See Section D.3 above for requirements

(b) Table of Contents (One page not included in page limitations)

This page shall list all sections of the Technical Application with page numbers and attachments. Include major sections and page numbering to easily cross-reference and identify merit review criteria.

c) Executive Summary (not included in page limitations; should not exceed 3 pages)

This section shall briefly contain:
- a concise summary of the approach and core activities that will lead to anticipated results and stated objectives; and
- a concise summary of how the overall project will be managed and implemented.

d) Acronyms List (one page not included in page limitations) -

This page shall include the list of acronyms used by the applicant in the Technical Application.

(e) Technical Application Body – NTE 25 pages

The Technical Application body must be organized using the same heading as the Merit Review Criteria listed and further described below:

Criterion 1 – Technical and Implementation Approach
Criterion 2 – Management Approach, Staffing Plan and Key Personnel
Criterion 3 – Organizational Capability and Experience

a. ***Technical and Implementation Approach (included in the 25 page limitation)***

The Technical and Implementation Approach is the most important part of the proposed activity. It shall demonstrate the Applicant's capabilities and expertise with respect to achieving the goal of this activity. It shall present a convincing approach to achieve the expected results and it shall be specific, complete and presented concisely. The technical approach for the Highlands Resilience Activity should be aligned with USAID's other food security related investments, as laid out in the Program Description.

As part of the approach, the Applicant shall outline an Implementation Plan (Work Plan), which must include illustrative planned activities for the activity's first year, planned events, planned expenditures, proposed target areas and knowledge management plans. It should also include a draft Schedule of Milestones from the beginning to the completion of the activity, including all deliverables and plans for dissemination for reports and information.

b. ***Management Approach, Staffing Plan and Key Personnel (included in the 25 page limitation)***

The Applicant must include a clear management plan for the proposed activity including key personnel, sub-award structure (if proposed), technical and administrative management oversight, strategic partnership coordination and oversight of design, development, key initiatives and capacity strengthening activities.

II. Management approach and staffing plan narrative with accompanying organizational chart (as an Annex) that illustrates the management structure of both full time and non-full-time staff for prime and all subcontractors (if applicable).

III. Five positions are considered essential for implementation of the Highlands Resilience Activity. These Key Personnel positions are:

1. Chief of Party
2. Deputy Chief of Party
3. Livelihoods Specialist
4. Market Systems/Value Chain Specialist
5. Financial Services for the Poor Specialist

c. ***Organizational Capacity and Experience (included in the 25-page limitation)***

A description of the applicant’s technical and administrative experience and capabilities in the proposed activity area must be included, no more than five projects/activities from within the last ten years that demonstrate such as experience in: the programmatic area, collaborating with multiple government and private stakeholders, building and strategically incentivizing buy-in from government partners so processes are institutionalized, assessing human resource capacity gaps and organizational capacity gaps, managing and implementing projects of similar technical scope and complexity (experience in implementing livelihoods activities with the poorest of the poor). If sub-awards with other organizations are proposed, to the extent possible, pertinent aspects such as technical roles, management relations, and level of effort of the organizations and individuals involved in the sub-award must be explicitly described.

The Applicant must articulate how the described institutional experience and capability will enhance the likelihood of successful implementation of the HRA Activity.

d. ***Appendices (not included in the page limitations)***

The Appendices, which are not included in the main Application’s 25-page limit, must include the following list of Annex items:

1) Proposed results framework, based on the logic model outlined in the Program Description, with draft sub-intermediate results, indicators, baseline and performance targets.
2) Timeline of milestones from the beginning to the completion of the proposed activities, including all deliverables; monitoring, evaluation, and learning; and dissemination of reports and information
3) Management plan including organizational charts
4) Staffing Plan and key personnel candidates
5) Resumes for Key Personnel and any essential co-implementers for the proposed activity not to exceed three (3) pages each
6) Signed letters of Key personnel commitment
7) Additional relevant materials [up to five (5) pages] may also be provided as an appendix. These may include the history, structure, accomplishments, and capacity of the applicant organization(s)

8) Official letter from relevant federal and regional offices and from all proposed operational woredas offices confirming the support and cooperation with the implementing partner to operate in the region/woreda
9) Past Performance (not to exceed 2 pages) –

   Past Performance information will only be reviewed as part of the Apparently Successful Applicant risk assessment and is not evaluated at the merit review stage.

   Applicants must list all contracts, grants and cooperative agreements which the organization, both the primary applicant as well as any major partnering organization(s) (if proposed), has implemented involving similar or related programs over the past ten years.

   Please include the following information under past performance information:

   - Name of the Awarding Organization;
   - Award Number;
   - Activity Title;
   - A brief description of the activity;
   - Period of Performance;
   - Award Amount;
   - Reports and findings from any audits performed in the last five years; and
   - Name of at least two (2) updated professional contacts who most directly observed the work at the organization for which the service was performed with complete current contact information including telephone number, and e-mail address for each proposed individual.

   Past performance of the applicant and any major partnering organization(s) *(if proposed)* will be reviewed based on the implementation of programs or program elements of similar size and scope, and ability to achieve results. References may be asked to comment on both quality and timeliness of service, business relations, customer satisfaction with performance, effectiveness of key personnel, and effectiveness in quickly staffing a project and launching program activities.

   If the applicant encountered problems on any of the referenced Awards, it may provide a short explanation and the corrective action taken. The applicant should not provide general information on its performance.

   USAID reserves the right to obtain relevant information concerning an applicant's history of performance from any sources and may consider such information in its review of the applicant's risk. The Agency may request additional information and conduct a pre-award survey if it determines that it is necessary to inform the risk assessment.

D.6 Business (Cost) Application Format

The Business (Cost) Application must be submitted separately from the Technical Application. While no page limit exists for the full cost application, applicants are encouraged to be as concise as possible while still providing the necessary details. The business (cost) application must illustrate the entire period of performance, using the budget format shown in the SF-424A.

Prior to award, applicants may be required to submit additional documentation deemed necessary for the Agreement Officer to assess the applicant's risk in accordance with 2 CFR 200.206. Applicants should not submit any additional information with their initial application.

The Cost Application must contain the following sections (which are further elaborated below this listing with the letters for each requirement):

a) Cover Page (See Section D.3 above for requirements)

b) SF 424 Form(s)

The applicant must sign and submit the cost application using the SF-424 series. Standard Forms can be accessed electronically at https://www.grants.gov/web/grants/forms/sf-424-family.html Failure to accurately complete these forms could result in the rejection of the application.

c) Required Certifications and Assurances

The applicant must complete the following documents and submit a signed copy with their application:

(1) "Certifications, Assurances, Representations, and Other Statements of the Recipient" ADS 303mav document found at https://www.usaid.gov/ads/policy/300/303mav
(2) Assurances for Non-Construction Programs (SF-424B)
(3) Certificate of Compliance: Please submit a copy of your Certificate of Compliance if your organization's systems have been certified by USAID/Washington's Office of Acquisition and Assistance (M/OAA).

d) Budget and Budget Narrative

The Budget must be submitted as one unprotected Excel file (MS Office 2000 or later versions) with visible formulas and references and must be broken out by project year, including itemization of the federal and non-federal (cost share) amount. Files must not contain any hidden or otherwise inaccessible cells. Budgets with hidden cells lengthen the cost analysis time required to make award, and may result in a rejection of the cost application. The Budget Narrative must contain sufficient detail to allow USAID to understand the proposed costs. The applicant must ensure the budgeted costs address any additional requirements identified in Section F, such as Branding and Marking. The Budget Narrative must be thorough, including sources for costs to support USAID's determination that the proposed costs are fair and reasonable.

The Budget must include the following worksheets or tabs, and contents, at a minimum:

- Summary Budget, inclusive of all program costs (federal and non-federal), broken out by major budget category and by year for activities implemented by the applicant and any potential sub-applicants for the entire period of the program. See Section H, Annex 1 for Summary Budget Template
- Detailed Budget, including a breakdown by year, sufficient to allow the Agency to determine that the costs represent a realistic and efficient use of funding to implement the applicant's program and are allowable in accordance with the cost principles found in 2 CFR 200 Subpart E.
- Detailed Budgets for each sub-recipient, for all federal funding and cost share, broken out by budget category and by year, for the entire implementation period of the project.

The Detailed Budget must contain the following budget categories and information, at a minimum:

1) Salaries and Allowances – Must be proposed consistent with 2 CFR 200.430 Compensation - Personal Services. The applicant's budget must include position title, salary rate, level of effort, and salary escalation factors for each position. Allowances, when proposed, must be broken down by specific type and by position. Applicants must explain all assumptions in the Budget Narrative. The Budget Narrative must demonstrate that the proposed compensation is reasonable for the services rendered and consistent with what is paid for similar work in other activities of the applicant. Applicants must provide their established written policies on personnel compensation. If the applicant's written policies do not address a specific element of compensation that is being proposed, the Budget Narrative must describe the rationale used and supporting market research.

2) Fringe Benefits – (if applicable) If the applicant has a fringe benefit rate approved by an agency of the U.S. Government, the applicant must use such rate and provide evidence of its approval. If an applicant does not have a fringe benefit rate approved, the applicant must propose a rate and explain how the applicant determined the rate. In this case, the Budget Narrative must include a detailed breakdown comprised of all items of fringe benefits (e.g., superannuation, gratuity, etc.) and the costs of each, expressed in U.S. dollars and as a percentage of salaries.

3) Travel and Transportation – Provide details to explain the purpose of the trips, the number of trips, the origin and destination, the number of individuals traveling, and the duration of the trips. Per Diem and associated travel costs must be based on the applicant's normal travel policies. When appropriate please provide supporting documentation as an attachment, such as company travel policy, and explain assumptions in the Budget Narrative.

4) Procurement or Rental of Goods (Equipment & Supplies), Services, and Real Property – Must include information on estimated types of equipment, models, supplies and the cost per unit and quantity. The Budget Narrative must include the purpose of the equipment and supplies and the basis for the estimates. The Budget Narrative must support the necessity of any rental costs and reasonableness in light of such factors as: rental costs of comparable property, if

any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased.

5) Subawards – Specify the budget for the portion of the program to be passed through to any subrecipients. See 2 CFR 200 for assistance in determining whether the sub-tier entity is a subrecipient or contractor. The subrecipient budgets must align with the same requirements as the applicant's budget, including those related to fringe and indirect costs.

6) Construction – If applicable (See ADS 303.3.30)

7) Other Direct Costs – This may include other costs not elsewhere specified, such as report preparation costs, passports and visas fees, medical exams and inoculations, as well as any other miscellaneous costs which directly benefit the program proposed by the applicant. The applicant should indicate the subject, venue and duration of any proposed conferences and seminars, and their relationship to the objectives of the program, along with estimates of costs. Otherwise, the narrative should be minimal.

8) Indirect Costs – Applicants must indicate whether they are proposing indirect costs or will charge all costs directly. In order to better understand indirect costs please see Subpart E of 2 CFR 200. The application must identify which approach they are requesting and provide the applicable supporting information. Below are the most commonly used Indirect Cost Rate methods:

Method 1 - Direct Charge Only
Eligibility: Any applicant
Initial Application Requirements: See above on direct costs

Method 2 - Negotiated Indirect Cost Rate Agreement (NICRA)
Eligibility: Any applicant with a NICRA issued by a USG Agency must use that NICRA
Initial Application Requirements: If the applicant has a current NICRA, submit your approved NICRA and the associated disclosed practices. If your NICRA was issued by an Agency other than USAID, provide the contact information for the approving Agency. Additionally, at the Agency's discretion, a provisional rate may be set forth in the award subject to audit and finalization. See USAID's Indirect Cost Rate Guide for Non Profit Organizations for further guidance.

Method 3 - De minimis rate of 10% of modified total direct costs (MTDC)
Eligibility: Any applicant that does not have a current NICRA
Initial Application Requirements: Costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate an indirect rate, which the non-Federal entity may apply to do at any time. The applicant must describe which cost elements it charges indirectly vs. directly. See 2 CFR 200 for further information.

Method 4 - Indirect Costs Charged As A Fixed Amount

Eligibility: Non U.S. non-profit organizations without a NICRA may request, but approval is at the discretion of the AO
Initial Application Requirements: Provide the proposed fixed amount and a worksheet that includes the following:

- Total costs incurred by the organization for the previous fiscal year and estimates for the current year.
- Indirect costs (common costs that benefit the day-to-day operations of the organization, including categories such as salaries and expenses of executive officers, personnel administration, and accounting, or that benefit and are identifiable to more than one program or activity, such as depreciation, rental costs, operations and maintenance of facilities, and telephone expenses) for the previous fiscal year and estimates for the current year
- Proposed method for prorating the indirect costs equitably and consistently across all programs and activities of using a base that measures the benefits of that particular cost to each program or activity to which the cost applies.

If the applicant does not have an approved NICRA and does not elect to utilize the 10% de minimis rate, the Agreement Officer will provide further instructions and may request additional supporting information, including financial statements and audits, should the application still be under consideration after the merit review. USAID is under no obligation to approve the applicant's requested method.

9. Cost Assumptions: With respect to estimating the costs in the Cost Application, please consider the following guidance (this guidance is solely for the purposes of the cost application and actual costs will be determined by actual implementation of the awarded Cooperative Agreement, including the implementation planning process):

A. Core Activities: The total estimated not to exceed $57 million over five years; and
B. Crisis Modifier: The total estimated ceiling of $3 million is provided to be evenly allocated over each program year, as appropriate.

e) Prior Approvals in accordance with 2 CFR 200.407

Inclusion of an item of cost in the detailed application budget does not satisfy any requirements for prior approval by the Agency. If the applicant would like the award to reflect approval of any cost elements for which prior written approval is specifically required for allowability, the applicant must specify and justify that cost. See 2 CFR 200.407 for information regarding which cost elements require prior written approval.

f) Approval of Subawards

The applicant must submit information for all subawards that it wishes to have approved at the time of award. For each proposed subaward the applicant must provide the following:

- Name of organization
- Unique Entity Identifier (UEI)
- Confirmation that the subrecipient does not appear on the Treasury Department's Office of Foreign Assets Control (OFAC) list
- Confirmation that the subrecipient does not have active exclusions in the System for Award Management (SAM)
- Confirmation that the subrecipient is not listed in the United Nations Security designation list
- Confirmation that the subrecipient is not suspended or debarred
- Confirmation that the applicant has completed a risk assessment of the subrecipient, in accordance with 2 CFR 200.332(b)
- Any negative findings as a result of the risk assessment and the applicant's plan for mitigation.

g) Unique Entity Identifier (UEI) and SAM Registration

Applicants must obtain a Unique Entity Identifier (UEI) and register in the System for Award Management (SAM) (https://sam.gov/) in order to be eligible to receive federal assistance, such as grants and cooperative agreements. Unless an exemption applies (see ADS 303maz), applicants must be registered in SAM prior to submitting an application for award for USAID's consideration. Recipients must maintain an active SAM registration while they have an active award. Each applicant (unless the applicant is an individual or entity that is exempted from UEI/SAM requirements under 2 CFR 25.110) is required to:

1. Provide a valid UEI for the applicant and all proposed sub-recipients;
2. Be registered in SAM <u>before</u> submitting its application.
3. Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency.

The registration process may take many weeks to complete. Therefore, applicants are encouraged to begin the process early. If an applicant has not fully complied with the requirements above by the time USAID is ready to make an award, USAID may determine that the applicant is not qualified to receive an award and use that determination as a basis for making an award to another applicant.

Applicants can find additional resources for registering in SAM, including a Quick Start Guide and a video, on https://sam.gov/.

h) Branding Strategy & Marking Plan

The apparently successful applicant will be asked to provide a Branding Strategy and Marking Plan to be evaluated and approved by the Agreement Officer and incorporated into any resulting award.

i) Funding Restrictions

Profit is not allowable for recipients or subrecipients under this award. See 2 CFR 200.331 for assistance in determining whether a sub-tier entity is a subrecipient or contractor.

Construction will not be authorized under this award.

USAID will not allow the reimbursement of pre-award costs under this award without the explicit written approval of the Agreement Officer.

Except as may be specifically approved in advance by the AO, all commodities and services that will be reimbursed by USAID under this award must be from the authorized geographic code specified in Section B.4 of this NOFO and must meet the source and nationality requirements set forth in 22 CFR 228.

j) Conscience Clause

"CONSCIENCE CLAUSE IMPLEMENTATION (ASSISTANCE) – SOLICITATION PROVISION (FEBRUARY 2012)

(a) An organization, including a faith-based organization, that is otherwise eligible to receive funds under this agreement for HIV/AIDS prevention, treatment, or care—

1) Shall not be required, as a condition of receiving such assistance— (i) to endorse or utilize a multisectoral or comprehensive approach to combating HIV/AIDS; or (ii) to endorse, utilize, make a referral to, become integrated with, or otherwise participate in any program or activity to which the organization has a religious or moral objection; and

2) Shall not be discriminated against in the solicitation or issuance of grants, contracts, or cooperative agreements for refusing to meet any requirement described in paragraph (a)(1) above.

(b) An applicant who believes that this solicitation contains provisions or requirements that would require it to endorse or use an approach or participate in an activity to which it has a religious or moral objection must so notify the cognizant Agreement Officer in accordance with the Mandatory Standard Provision titled "Notices" as soon as possible, and in any event not later than 15 calendar days before the deadline for submission of applications under this solicitation. The applicant must advise which activity(ies) it could not implement and the nature of the religious or moral objection.

(c) In responding to the solicitation, an applicant with a religious or moral objection may compete for any funding opportunity as a prime partner, or as a leader or member of a consortium that comes together to compete for an award. Alternatively, such applicant may limit its application to those activities it can undertake and must indicate in its submission the activity(ies) it has excluded based on religious or moral objection. The offeror's proposal will be evaluated based on the activities for which a proposal is submitted, and will not be evaluated favorably or unfavorably due to the absence of a proposal addressing the activity(ies) to which it objected and which it thus omitted. In addition to the notification in paragraph (b) above, the applicant must meet the submission date provided for in the solicitation. (End of Provision)"

k) Conflict of Interest Pre-Award Term

CONFLICT OF INTEREST PRE-AWARD TERM (August 2018)

a. Personal Conflict of Interest

1. An actual or appearance of a conflict of interest exists when an applicant organization or an employee of the organization has a relationship with an Agency official involved in the competitive award decision-making process that could affect that Agency official's impartiality. The term "conflict of interest" includes situations in which financial or other personal considerations may compromise, or have the appearance of compromising, the obligations and duties of a USAID employee or recipient employee.

2. The applicant must provide conflict of interest disclosures when it submits an SF-424. Should the applicant discover a previously undisclosed conflict of interest after submitting the application, the applicant must disclose the conflict of interest to the AO no later than ten (10) calendar days following discovery.

b. Organizational Conflict of Interest The applicant must notify USAID of any actual or potential conflict of interest that they are aware of that may provide the applicant with an unfair competitive advantage in competing for this financial assistance award. Examples of an unfair competitive advantage include but are not limited to situations in which an applicant or the applicant's employee gained access to non-public information regarding a federal assistance funding opportunity, or an applicant or applicant's employee was substantially involved in the preparation of a federal assistance funding opportunity. USAID will promptly take appropriate action upon receiving any such notification from the applicant. (END OF PRE-AWARD TERM)

(END OF SECTION D)

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SECTION E: APPLICATION REVIEW INFORMATION

E.1 Criteria

The merit review criteria prescribed here are tailored to the requirements of this particular NOFO. Applicants should note that these criteria serve to: (a) identify the significant matters which the applicants should address in their applications, and (b) set the standard against which all applications will be evaluated.

Technical and other factors will be evaluated relative to each other, as described here and prescribed by the Technical Application Format. The Technical Application will be scored by a Selection Committee (SC) using the criteria described in this section below.

Adjective	Merit Review Criterion
Exceptional	An **Exceptional** application has the following characteristics: ● A comprehensive and thorough application of exceptional merit. ● Application meets and fully exceeds the Government expectations or exceeds NFO objectives and presents very low risk or **no** overall degree of risk of unsuccessful performance. ● Strengths **significantly outweigh** any weaknesses that may exist.
Very Good	A **Very Good** application has the following characteristics**:** ● An application demonstrating a **strong** grasp of the objectives. ● Application meets NFO objectives and presents a **low** overall degree of risk of unsuccessful project performance. ● **Strengths significantly outweigh any weaknesses that exist.**
Satisfactory	A **Satisfactory** application has the following characteristics: ● An application demonstrating a reasonably sound response and a **good** grasp of the objectives. ● Application meets NFO objectives and presents a **moderate** overall degree of risk of unsuccessful project performance. ● **Strengths outweigh weaknesses.**
Marginal	A **Marginal** application has the following characteristics: ● The application shows a **limited** understanding of the objectives. ● Application meets some or most of the NFO objectives, but presents a **significant** overall degree of risk of unsuccessful project performance. ● Weaknesses **equal or outweigh** any strength that exists.

Unsatisfactory	An **Unsatisfactory** application has the following characteristics: ● The Application **does not meet** the NFO objectives or requires a major rewrite of the application. ● Presents an **unacceptable** degree of risk of unsuccessful project performance. ● Weaknesses demonstrate a **lack of understanding** of the Government's needs. ● Weaknesses **significantly outweigh** any strength that exists.

E.2 Review and Selection Process

The required format and content for the application are described in Section D. The applications submitted will be evaluated using an adjectival rating system, in accordance with the selection criteria set forth below. The SC will make a recommendation and the AO makes the final selection which applicant(s) should receive the award(s). USAID will collaborate with the apparently successful applicant(s) to create a final Program Description that will be included in the award. Prior to negotiating an actual award, the Agreement Officer will review the apparently successful applicant(s) budget to ensure that costs, including cost sharing, are in compliance with OMB's and USAID's policies. The costs proposed must be determined to be reasonable, based on the Cost Application and other information before award can be made. Award will be made to the responsible applicant whose application is determined to be the best, based on the criteria specified in this RFA. The Agreement Officer must also evaluate risk of the apparently successful applicant(s) and is charged with the final determination of whether to make an award to the apparently successful applicant(s). Among other issues, the apparently successful applicant(s) history of performance will be reviewed using the reference information contained in the Technical Application, along with any other information deemed relevant by the Agreement Officer or Selection Committee. The Agreement Officer is the only individual who may legally obligate the U.S. Government to the expenditure of public funds. No costs chargeable to the proposed Agreement may be incurred before receipt of either an Agreement signed by the Agreement Officer or a specific, written authorization from the Agreement Officer.

a. Merit Review

USAID will conduct a merit review of all applications received that comply with the instructions in this NOFO. Applications will be reviewed and evaluated in accordance with the following criteria shown.

No	Criterion	Importance
1	Technical and Implementation Approach	Most important
2	Management Approach, Staffing Plan and Key Personnel	2nd most important
3	Organizational Capacity and Experience	3rd most important

Additional guidance on the three Merit Review Criteria is set forth below.

a1. **Technical and Implementation Approach:** This criterion will be evaluated in terms of overall quality and the extent to which the proposed technical approach demonstrates a clear understanding of the objectives of the activity, a convincing approach to achieve the expected results, and an understanding of how this activity connects to USAID's other food security related investments as outlined in the Program Description. This component will also be evaluated for the strength, workability, and completeness of the plan. The Applicant will be evaluated on the extent to which the draft Initial Implementation Plan (Work Plan) presents a realistic and feasible plan to launch Activity operations in a timely manner to achieve results in Year 1.

a2. **Management Approach, Staffing Plan, and Key Personnel:** This criterion will be evaluated for the overall quality and responsiveness of the management plan and the qualifications of the staff, especially of key personnel, who will manage, develop, and carry out the activity.

a3. **Organizational Capacity and Experience:** This criterion will be evaluated on the organizational capability and experience of the Applicant and its major sub-recipients (if applicable) as demonstrated by its ability to manage technical and administrative aspects of similar programs and activities, achieve measurable results, and work effectively and efficiently with key stakeholders leveraging expertise to enhance impact.

b) Business Review

The Agency will evaluate the cost application of the applicant(s) under consideration for an award as a result of the merit criteria review to determine whether the costs are allowable in accordance with the cost principles found in 2 CFR 200 Subpart E.

The Agency will also consider (1) the extent of the applicant's understanding of the financial aspects of the program and the applicant's ability to perform the activities within the amount requested; (2) whether the applicant's plans will achieve the program objectives with reasonable economy and efficiency; and (3) whether any special conditions relating to costs should be included in the award.

Proposed cost share, if provided, will be reviewed for compliance with the standards set forth in 2 CFR 200.306, 2 CFR 700.10, and the Standard Provision "Cost Sharing (Matching)" for U.S. entities, or the Standard Provision "Cost Share" for non-U.S. entities.

The AO will perform a risk assessment (2 CFR 200.206). The AO may determine that a pre-award survey is required to inform the risk assessment in determining whether the prospective recipient has the necessary organizational, experience, accounting and operational controls, financial resources, and technical skills – or ability to obtain them – in order to achieve the objectives of the program and comply with the terms and conditions of the award. Depending on the result of the risk assessment, the AO will decide to execute the award, not execute the award, or award with "specific conditions" (2 CFR 200.208).

c) Pre-Award: Revised Application Submission (ONLY applies to the Apparently Successful Applicant(s) selected).

Revised Applications in response to this NOFO must be submitted as instructed by the Agreement Officer. Apparently successful Applicant(s) (ASA) with the highest evaluation scores may be invited to participate in an oral presentation and/or writing clarifications of their proposed approaches at the Mission, if oral with possible videoconferencing or virtual option. Following the presentation, the ASA(s) will continue to refine key parts and revise their application to submit a Final Full Application.

USAID will review the final full technical and cost application(s) and may request additional clarification at this final review stage.

[END OF SECTION E]

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SECTION F: FEDERAL AWARD ADMINISTRATION INFORMATION

F.1 Federal Award Notices

Award of the agreement contemplated by this NOFO cannot be made until funds have been appropriated, allocated and committed through internal USAID procedures. While USAID anticipates that these procedures will be successfully completed, potential applicants are hereby notified of these requirements and conditions for the award.

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

F.2 Administrative & National Policy Requirements

The resulting award from this NOFO will be administered in accordance with the following policies and regulations.

For US organizations: ADS 303, 2 CFR 700, 2 CFR 200, and Standard Provisions for U.S. Non-governmental organizations.

For Non US organizations: ADS 303, Standard Provisions for Non-U.S. Non-governmental Organizations.

See Annex 2, for a list of the Standard Provisions that will be applicable to any awards resulting from this NOFO.

F.3 Reporting Requirements

Below are the reporting requirements under the HRA cooperative agreement that include financial reports, activity planning reports, performance check-in presentations, and expenditure reports:

a. *Financial Reporting*

Recipients of USAID funding must submit the Federal Financial Form (FFR) (SF-425) on a quarterly basis via electronic format to the AOR and USAID Ethiopia's Financial Management Office. Details on requirements for submission of the financial reports will be included in the award document.

b. *Activity Planning*

Activity planning reports cover the reports that are critical to USAID/Ethiopia's ability to be substantially involved in this Activity. These include annual work plans and a learning, monitoring, and evaluation plan.

I. Work Plans

The work plan is intended to express the Recipient and USAID/Ethiopia's plan to implement the Activity. The work plan authorizes specific activities to implement the Activity Description. The Recipient shall submit to the USAID Agreement Officer Representative (AOR) an electronic copy of a draft year one work plan within 30 days of the agreement. The work plan, complemented by budget narratives, should explain the rationale, sequence and timeline of activities that will be implemented during that fiscal year and provide additional information determined to be relevant by the AOR. USAID will review the draft work plan and provide comments/suggestions. The Recipient shall then submit one electronic copy of the final work plan to the USAID AOR for approval no later than 15 days from receipt of USAID's comments/suggestions.

The Recipient shall also submit one copy of the final approved work plan to the Agreement Officer. The Recipient shall submit one electronic copy of subsequent work plans and revisions and updates to the AOR annually. The Recipient shall report any significant work plan changes or revisions to the AOR and shall obtain the AOR's approval prior to implementing or undertaking such changes or revisions. Work plans and changes/revisions thereto must be within the scope of the Activity Description of this Award. Work plans and changes thereto shall describe activities to be conducted during the period at a greater level of detail than the Activity Description but shall not serve to change the Program Description in any way.

In the event that the Crisis Modifier is properly activated, the Recipient will have 20 days to prepare a supplement to the work plan covering all activities covered by the Crisis Modifier for the current annual work plan. USAID/Ethiopia will review the draft supplement to the annual work plan and provide comments/suggestions within 5 days of receipt. The Recipient shall then submit one electronic copy of the final supplement to the annual work plan to the AOR for approval not later than 3 days from receipt of USAID/Ethiopia's comments/suggestions.

Work plans should not be submitted to USAID's Development Experience Clearinghouse (DEC). Details on the Work Plan will be provided in the award document.

II. Monitoring, Evaluation and Learning (MEL) Plan

The Recipient will have submitted a draft life-of-project MEL Plan with the application. The Recipient will work closely with the AOR to establish indicators, as well as baseline data and performance targets for each indicator and to finalize the plan. The final version of the MEL Plan is due within the first 120 days of the Cooperative Agreement.

Thirty (30) days before the beginning of each subsequent fiscal year, the Recipient will submit an update to the MEL Plan. The update for the MEL Plan for each fiscal year will be finalized with approval by the AOR. If during the course of implementation, the Recipient wishes to make changes to the plan, the Recipient must submit the requested changes in writing for technical review.

If the Crisis Modifier provision is activated, an update to the MEL Plan will be submitted within 30 days of the date of formal notification from the Agreement Officer. USAID/Ethiopia will review the draft update to the MEL Plan and provide comments/suggestions within 10 days of receipt. The Recipient shall then submit one copy of the final update to the MEL Plan to the AOR for approval not later than 5 days from receipt of USAID/Ethiopia's comments/suggestions.

c. *Performance Reporting*

Performance monitoring reporting is intended to ensure that USAID has sufficient information to effectively monitor the Activity's performance. This includes any information regarding any development that may have a significant impact on performance, including, but not limited to challenges encountered, and relevant context and information on costs incurred compared to the approved budget plan for the Agreement. The Activity's Performance Monitoring Reporting differs from Financial Reporting as the latter is intended to address cash flow needs and not performance.

I. Quarterly Activity Performance Reports

The quarterly performance reports must be submitted to USAID/Ethiopia within 30 calendar days after the end of each quarter of the fiscal year during the performance period. The quarterly performance report includes a summary of the activities and key results/achievements, information on management issues, success stories, plans and intended outputs for the following quarter and quarterly expenditure reports.

II. Annual Performance Reports

The Recipient will submit annual reports to USAID/Ethiopia within 30 calendar days after the end of the reporting period. In this regard, the USAID's annual reporting time covers the period from October 01 to September 30. The Annual Report shall contain the following information:

1. A summary of key achievements.
2. A comparison of actual accomplishments against goals established for the period in the annual work-plan.
3. Explanations of any issues related to data quality.
4. A summary of funds expended during the fiscal year by funding source.
5. A cumulative list of reports/studies/documents sent to USAID's DEC.
6. A summary of lessons learned.
7. Information on major challenges and constraints faced during the performance period being reported and
8. Prospects for next year's performance.

Upon receiving AOR approval, the approved Annual Report shall be submitted to the USAID's DEC. Details on the requirements for the Annual Progress Reports will be provided in the award document.

IV. Close out Report

As part of the close out procedures, the recipient will be required to submit a demobilization plan to the AO's approval 180 days prior to the completion date of the award.

The demobilization plan shall include a) draft property disposition plan, b) plan for the phase-out of operations, c) delivery schedule for all reports or other deliverables required under the agreement, and d) timetable for completing all required actions in the demobilization plan, including the submission date of the final property disposition plan to the Agreement Officer.

V. Final Performance Report

The final performance report will be due 90 calendar days after the period of the activity performance end date. The Recipient shall submit a draft of the final report to the AOR 45 days following the estimated completion date of the Activity.

This Final Report will include the following information:

1. Overall activity accomplishments, presented in quantitative terms and described in a narrative that relates activities, products, and results to the Work Plan.
2. Discussion of why unexpected progress, positive or negative, was made toward the planned results. If expected activities were not achieved, the partner shall seek to determine and explain the reason.
3. Analysis of lessons learned.
4. Summary of responses to problems encountered during implementation.
5. A bibliography of all products, tools, reports, and studies produced through the activity; and
6. Other pertinent information communicated by the AOR in writing within 15 days of the end of the agreement.

The Recipient shall submit one electronic copy of the approved final Performance Report to USAID’s Development Experience Clearinghouse (DEC).

F.4 Program Income

If it is expected that program income might be generated under this program, then program income earned under the resulting award shall be added to the program and used to further eligible program objectives as agreed upon by USAID. Applicants should describe how program income might be generated under the proposed activities and how it envisions program income being utilized to successfully accomplish program objectives. Program Income, if any, will be accounted for in accordance with 2 CFR 200.307 for U.S. organizations or the Standard Provision entitled Program Income for non-U.S. organizations.

F.5 Environmental Compliance

In accordance with USAID policies and procedures related to environmental compliance, an initial environmental examination (IEE) is prepared for the Highlands Resilience Activity. Once approved, the IEE will be a guiding document during the implementation. In addition, Executive Order 13677 on "Climate-Resilient International Development" requires USAID to assess and address climate risk across all its investments. Accordingly, a climate risk assessment was also incorporated in the IEE document.

F.6 Other Requirements

6.1 Gender Considerations

Gender issues are central to the achievement of USAID program objectives and USAID strives to promote gender equality in which both men and women have equal opportunity to benefit from and contribute to economic, social, cultural, and political development; enjoy socially values, resources and awards; and realize their human rights (see ADS 201.3.9.3 "Gender Considerations" http://www.usaid.gov/policy/ads/200/201.pdf). Accordingly, USAID funded activities must take into account gender roles and relationships. Gender considerations shall be incorporated into the HRA interventions and should be informed by the gender analysis.

6.2 Conflict sensitivity

HRA should implement all activities through a conflict-sensitive approach. Conflict influences how the public and the private sector make investment decisions. Thus, assessing conflict will be integral to mobilizing new investment into the highlands. Conflict analysis will be a key component of conflict sensitive practices and should be carried out and linked with planned interventions and updated regularly in a conflict sensitive context. Integrating conflict sensitivity in the design is also crucial to identifying areas where a project might be affected by a conflict. Strong risks and assumptions that integrate conflict sensitivity issues will aid effective monitoring and help ensure that flexibility is built into the implementation phase of the Highlands Resilience Activity.

[END OF SECTION F]

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SECTION G: FEDERAL AWARDING AGENCY CONTACT(S)

G.1 NOFO Points of Contact

Any prospective Applicant desiring an explanation or interpretation of this NOFO must request it in writing by the deadline for questions specified in the cover letter to allow a reply to reach all prospective Applicants before the submission of their applications. Any information given to a prospective Applicant concerning this NOFO will be furnished promptly to all other prospective Applicants as an amendment of this NOFO, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective Applicants. Such questions will be considered received if the Subject line begins with **"Questions HRA NOFO 72066323RFA00004".**

Any questions or comments concerning this NOFO must be submitted in writing by e-mail to: caddis@usaid.gov

The AOR for this Award is [**TBD**] and will be designated after the Award.

G.2 Acquisition and Assistance Ombudsman

The A&A Ombudsman helps ensure equitable treatment of all parties who participate in USAID's acquisition and assistance process. The A&A Ombudsman serves as a resource for all organizations who are doing or wish to do business with USAID. Please visit this page for additional information: https://www.usaid.gov/work-usaid/acquisition-assistance-ombudsman

The A&A Ombudsman may be contacted via: Ombudsman@usaid.gov

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SECTION H: OTHER INFORMATION

USAID reserves the right to fund any or none of the applications submitted. The Agreement Officer is the only individual who may legally commit the Government to the expenditure of public funds. Any award and subsequent incremental funding will be subject to the availability of funds and continued relevance to Agency programming.

Applications with Proprietary Data

Applicants who include data that they do not want disclosed to the public for any purpose or used by the U.S. Government except for evaluation purpose, should mark the cover page with the following:

> "This application includes data that must not be disclosed, duplicated or used – in whole or in part – for any purpose other than to evaluate this application. If, however, an award is made as a result of – or in connection with – the submission of this data, the U.S. Government will have the right to duplicate, use, or disclose the data to the extent provided in the resulting award. This restriction does not limit the U.S. Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets {insert sheet numbers}."

Additionally, the applicant must mark each sheet of data it wishes to restrict with the following:

> "Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this application."

[END OF SECTION H]

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ANNEX 1 - SUMMARY BUDGET TEMPLATE

Attached as a separate document to the grants.gov posting.

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ANNEX 2 - STANDARD PROVISIONS

(Note: the full text of these provisions may be found at: https://www.usaid.gov/ads/policy/300/303maa, https://www.usaid.gov/ads/policy/300/303mab, and https://www.usaid.gov/ads/policy/300/303mat). The actual Standard Provisions included in the award will be dependent on the organization that is selected (or the type of award, in the case of a fixed amount award). The award will include the latest Mandatory Provisions for either U.S. or non-U.S. Nongovernmental organizations, as appropriate**.** The award will also contain the following "required as applicable" Standard Provisions:

Please note that the resulting award will include all standard provisions (both mandatory and required as applicable) in full text.

REQUIRED AS APPLICABLE STANDARD PROVISIONS FOR U.S. NONGOVERNMENTAL ORGANIZATIONS

Required	Not Required	Standard Provision
TBD		RAA1. NEGOTIATED INDIRECT COST RATES - PREDETERMINED (NOVEMBER 2020)
		RAA2. NEGOTIATED INDIRECT COST RATES - PROVISIONAL (Nonprofit) (NOVEMBER 2020)
		RAA3. NEGOTIATED INDIRECT COST RATE - PROVISIONAL (Profit) (DECEMBER 2014)
		RAA4. INDIRECT COSTS – DE MINIMIS RATE (NOVEMBER 2020)
		RAA5. EXCHANGE VISITORS AND PARTICIPANT TRAINING (JUNE 2012)
		RAA6. VOLUNTARY POPULATION PLANNING ACTIVITIES – SUPPLEMENTAL REQUIREMENTS (JANUARY 2009)
		RAA7. PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (APRIL 1998)
		RAA8. CARE OF LABORATORY ANIMALS (MARCH 2004)
		RAA9. TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE) (NOVEMBER 1985)
		RAA10. COST SHARING (MATCHING) (FEBRUARY 2012)
		RAA11. PROHIBITION OF ASSISTANCE TO DRUG TRAFFICKERS (JUNE 1999)
		RAA12. INVESTMENT PROMOTION (NOVEMBER 2003)
		RAA13. REPORTING HOST GOVERNMENT TAXES (DECEMBER 2014)
		RAA14. FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JUNE 2012)
		RAA15. CONSCIENCE CLAUSE IMPLEMENTATION (ASSISTANCE) (FEBRUARY 2012)
		RAA16. CONDOMS (ASSISTANCE) (SEPTEMBER 2014)
		RAA17. PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING (ASSISTANCE) (SEPTEMBER 2014)
		RAA18. USAID DISABILITY POLICY - ASSISTANCE (DECEMBER 2004)

		RAA19. STANDARDS FOR ACCESSIBILITY FOR THE DISABLED IN USAID ASSISTANCE AWARDS INVOLVING CONSTRUCTION (SEPTEMBER 2004)
		RAA20. STATEMENT FOR IMPLEMENTERS OF ANTI-TRAFFICKING ACTIVITIES ON LACK OF SUPPORT FOR PROSTITUTION (JUNE 2012)
		RAA21. ELIGIBILITY OF SUBRECIPIENTS OF ANTI-TRAFFICKING FUNDS (JUNE 2012)
		RAA22. PROHIBITION ON THE USE OF ANTI-TRAFFICKING FUNDS TO PROMOTE, SUPPORT, OR ADVOCATE FOR THE LEGALIZATION OR PRACTICE OF PROSTITUTION (JUNE 2012)
		RAA23. UNIVERSAL IDENTIFIER AND SYSTEM FOR AWARD MANAGEMENT (NOVEMBER 2020)
		RAA24. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (NOVEMBER 2020)
		RAA25. PATENT REPORTING PROCEDURES (NOVEMBER 2020)
		RAA26. ACCESS TO USAID FACILITIES AND USAID’S INFORMATION SYSTEMS (AUGUST 2013)
		RAA27. CONTRACT PROVISION FOR DBA INSURANCE UNDER RECIPIENT PROCUREMENTS (DECEMBER 2014)
		RAA28. AWARD TERM AND CONDITION FOR RECIPIENT INTEGRITY AND PERFORMANCE MATTERS (April 2016)
		RAA29. RESERVED
		RAA30. PROGRAM INCOME (AUGUST 2020)
		RAA31. NEVER CONTRACT WITH THE ENEMY (NOVEMBER 2020)

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

Required	Not Required	Standard Provision
TBD		RAA1. ADVANCE PAYMENT AND REFUNDS (NOVEMBER 2020)
		RAA2. REIMBURSEMENT PAYMENT AND REFUNDS (DECEMBER 2014)
TBD		RAA3. INDIRECT COSTS – NEGOTIATED INDIRECT COST RATE AGREEMENT (NICRA) (NOVEMBER 2020)
		RAA4. INDIRECT COSTS – CHARGED AS A FIXED AMOUNT (NONPROFIT) (JUNE 2012)
		RAA5. INDIRECT COSTS – DE MINIMIS RATE (NOVEMBER 2020)
		RAA6. UNIVERSAL IDENTIFIER AND SYSTEM OF AWARD MANAGEMENT (NOVEMBER 2020)
		RAA7. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (NOVEMBER 2020)
		RAA8. SUBAWARDS (DECEMBER 2014)
		RAA9. TRAVEL AND INTERNATIONAL AIR TRANSPORTATION (DECEMBER 2014)
		RAA10. OCEAN SHIPMENT OF GOODS (JUNE 2012)
		RAA11. REPORTING HOST GOVERNMENT TAXES (JUNE 2012)
		RAA12. PATENT RIGHTS (JUNE 2012)
		RAA13. EXCHANGE VISITORS AND PARTICIPANT TRAINING (JUNE 2012)
		RAA14. INVESTMENT PROMOTION (NOVEMBER 2003)

		RAA 15. COST SHARE (JUNE 2012)
		RAA16. PROGRAM INCOME (AUGUST 2020)
		RAA17. FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JUNE 2012)
		RAA18. STANDARDS FOR ACCESSIBILITY FOR THE DISABLED IN USAID ASSISTANCE AWARDS INVOLVING CONSTRUCTION (SEPTEMBER 2004)
		RAA19. PROTECTION OF HUMAN RESEARCH SUBJECTS (JUNE 2012)
		RAA20. STATEMENT FOR IMPLEMENTERS OF ANTI-TRAFFICKING ACTIVITIES ON LACK OF SUPPORT FOR PROSTITUTION (JUNE 2012)
		RAA21. ELIGIBILITY OF SUBRECIPIENTS OF ANTI-TRAFFICKING FUNDS (JUNE 2012)
		RAA22. PROHIBITION ON THE USE OF ANTI-TRAFFICKING FUNDS TO PROMOTE, SUPPORT, OR ADVOCATE FOR THE LEGALIZATION OR PRACTICE OF PROSTITUTION (JUNE 2012)
		RAA23. VOLUNTARY POPULATION PLANNING ACTIVITIES – SUPPLEMENTAL REQUIREMENTS (JANUARY 2009)
		RAA24. CONSCIENCE CLAUSE IMPLEMENTATION (ASSISTANCE) (FEBRUARY 2012)
		RAA25. CONDOMS (ASSISTANCE) (SEPTEMBER 2014)
		RAA26. PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING(ASSISTANCE) (SEPTEMBER 2014)
		RAA27. LIMITATION ON SUBAWARDS TO NON-LOCAL ENTITIES (JULY 2014)
		RAA28. CONTRACT PROVISION FOR DBA INSURANCE UNDER RECIPIENT PROCUREMENTS (DECEMBER 2014)
		RAA29. CONTRACT AWARD TERM AND CONDITION FOR RECIPIENT INTEGRITY AND PERFORMANCE MATTERS (April 2016)
		RAA30. RESERVED
		RAA31. NEVER CONTRACT WITH THE ENEMY (NOVEMBER 2020)

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