



USAID
DEL PUEBLO DE LOS ESTADOS
UNIDOS DE AMÉRICA

EL SALVADOR

**Amendment No.1 to Addendum 6- Innovations Activity
to the El Salvador Annual Program Statement (APS) No.: 72051921APS00001**

The purpose of this amendment is to provide answers to the questions submitted by interested parties in regards to this Addendum.

Except as expressly herein amended, Addendum 6 terms and conditions remain the same.

Thank you for your interest in USAID/El Salvador programs.

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QUESTION & ANSWER DOCUMENT

1. Number and content of applications: USAID states under C.1. Eligible Applicants: “All eligible, interested organizations are restricted to submitting only one Concept Note as the Prime Applicant.”

Is the limit one concept note per challenge area?

The limit, including all challenge areas, is one concept note per prime applicant.

Are applicants allowed to submit one concept note for piloting and another concept note for scaling?

Please see response to question above. An organization is allowed submission of one concept paper as a prime applicant, either for a piloting or scaling project.

If a concept note is rejected during a quarterly evaluation, may applicants submit a concept against a second round of evaluation dates?

If an applicant's submitted concept note has been rejected, the applicant may submit another concept note for a subsequent round of concept evaluation by the established quarterly submission dates specified in the addendum.

2. Number of Countries for Regional Applications. Section A, p. 7 states: “At a minimum, regional innovations must include El Salvador and either Guatemala, Honduras, Mexico or Nicaragua.” Section B.1.3 states: “If a regional concept is presented, the proposed innovation must include El Salvador and either Guatemala, Honduras, Mexico or Nicaragua.”

Could USAID please clarify if regional concepts may include any number of eligible countries, provided El Salvador is one of them?

Correct, a regional concept may include any number of the eligible countries in addition to El Salvador.

3. Can USAID please provide an estimated budget ceiling or range for the 2 types of anticipated awards (Piloting Grants and Scaling Grants) under this Activity?

There is no established ceiling for each type of award nor predetermined allocation of funding. Resulting number of awards and ceilings will depend on the viability of concept papers received, Mission interests and requirements, needs of bilateral Missions in the region, as well as total funding availability.

4. Is there more information about the quantitative results and indicators that the addendum is expected to achieve; or examples of the amounts and scope that the proposed projects should achieve?

The addendum poses challenges and encourages new, novel, or innovative responses to achieving challenge objectives. In alignment to the RCS, all challenges also intend to advance the USG's goal to reduce key drivers of migration and strengthen both the protective factors and resilience of potential migrants in El Salvador and regionally in El Salvador, Guatemala, Honduras, Mexico, and Nicaragua. Concepts must demonstrate how the intended activity or programming will substantively address the challenge objective, which in turn will also help create the conditions necessary to reach the aims of the RCS.

5. If a project seeks to address challenge objective 4 (reduced perceived corruption through greater civic engagement, advocacy, and citizen demand for transparency and accountability in public private sectors), is it mandatory to incorporate components that include the elements of market viability, profitability and cost-effectiveness?

All concepts responding to the addendum, regardless of which challenge objective is considered, must address the three core principles: (1) evidence of impact, (2) cost-effectiveness, and (3) viable potential for scale and financial sustainability.

Thus, all concepts should consider and discuss cost effectiveness and feasibility of the approach. Commercial solutions are expected to articulate the market viability and profitability of the solution. Alternatively, non-commercial solutions (those intended to be implemented without revenue generation) should discuss the financial sustainability of the innovation over the life of the proposed concept and consider, if applicable, its financial sustainability for beyond the life of piloted or scaled innovation..

Evidence of impact: requires applicants to demonstrate that innovations deliver positive development outcomes for beneficiaries or in response to development challenges. For a piloting stage activity, the more clearly the applicant presents a robust plan for generating early-stage innovation evidence, the stronger the application. Similarly, for a scaling stage activity, the more evidence an applicant presents in support of their innovation's theory of change and impact on development outcomes, including the scale and significance of impact to be targeted and how it will be measured, the stronger the application.

Cost-effectiveness: promotes innovations that deliver more development impact per dollar than other solutions or the status quo. Cost-effectiveness is a function of both cost and impact and does not mean that an innovation is the cheapest solution. Instead, an innovation can increase its cost-effectiveness either by reducing its cost or by increasing its impact. The addendum recognizes that costs of an innovation at scale may be different from costs generated through earlier testing phases, so applicants should provide data on current and projected costs.

Feasibility: focuses support to innovations that are feasible over the short- and long-term. Proposed solutions must have a potential pathway to scale in the long-run and identified sources

of financial sustainability. The addendum states that innovations can take a variety of pathways to scale, however, innovations must be financially sustainable over a period of time to achieve development impact and ultimately grow without continued Mission support.