



USAID
FROM THE AMERICAN PEOPLE

ARMENIA

DATE: June 3, 2014

SUBJECT: AMENDMENT #1 TO RFA-111-14-000005, EXPANDING ECONOMIC TIES WITH TURKEY PROJECT

ISSUANCE DATE: May 7, 2014

CLOSING DATE: June 12, 2014

The purpose of this amendment to the funding opportunity is to respond to the requests for clarification.

All questions and points of clarification received by the due date and time were considered for inclusion in this amendment. If the exact wording of your question(s) cannot be located it is because it is addressed in another similar question or request for clarification.

#	Question	Answer
1	<i>Is a US company eligible to bid on this?</i>	While partnerships/consortia with international organizations are acceptable, the prime applicant must be an Armenian organization.
2	<i>The solicitation identifies tourism and agribusiness as project focus areas. It also states clearly that there will be only one award and that the proposal should concentrate on only one of these two sectors. My question is to reconfirm the interpretation of the solicitation document, i.e. only one of the these areas should become the strategic focus of the proposal?</i>	Yes, each application must focus on only one sector, either tourism or agribusiness. While USAID intends to issue one award, USAID reserves the option of issuing multiple awards resulting from this funding opportunity, but not more than two, one for each area (agribusiness or tourism).
3	<i>The solicitation requires involvement of Turkish counterparts. Should Turkish organizations be official members of a consortium with the applying Armenian organization or a letter of commitment for partnership is sufficient?</i>	A letter of commitment is sufficient at the application stage.

4	<i>It is necessary to acquire a car and a minibus in order to provide the efficiency and sustainability of the program. I would like to know if there is any possibility of getting movable property within the program funding.</i>	Yes. Any application that proposes to purchase a vehicle should sufficiently justify the programmatic need for a vehicle.
5	<i>Do you have a pool of Armenian organizations where we can find partners and get in contact with?</i>	No.
6	<i>Would it be possible to apply for "Expanding Economic Ties with Turkey Project" together with International organization?</i>	While partnerships with international organizations are acceptable the prime applicant must be an Armenian organization.
7	<i>Will the cost sharing be evaluated on the part of prime organization only or the consortium cumulatively? Will the in-kind contributions (existing infrastructures) be considered as cost sharing?</i>	Cost share is not a requirement for this program and will not be viewed as a decisive factor during the evaluation. USAID is more interested in creativity and how the activities will help achieve the desired result. In-kind cost share is acceptable if it can be accurately documented during/for audit.
8	<i>Is it acceptable if one organization will be nominated as a sub- for several primes'?</i>	Yes, one organization could be nominated as a sub in several applications.
9	<i>Can the consortium consist of two equal prime organizations?</i>	It is not possible for the consortium to consist of two primes, since one of the organizations should be responsible to receive and distribute funds, perform reporting, as well as manage the relationship with all sub-partners to achieve the desired results and to ensure that the funds are managed responsibly in accordance with USAID rules and regulations.
10	<i>How far is the VAT exemption expanded? Are the sub-recipients exempted from VAT too?</i>	Sub-recipients are exempted from VAT in Armenia as well.
11	<i>Are there any partnership agreement formats? Is there a limitation to the number of consortium members?</i>	There is no standard format for partnership agreement and the number of consortium members is not limited provided that the consortium is manageable and cost efficient.
12	<i>To clarify once more if our understanding is correct regarding partnership and sub-granting. Can a lead organization identify a partner-agency in the initial stage of program development and be flexible in sub-contracting others upon need during the program implementation period?</i>	In case it is not identified in the Technical Application, a change of the partner-agency must be strongly justified and approved by USAID. Other organizations may be subcontracted upon need during program implementation. These additional subcontractors will require USAID approval.
13	<i>How detailed must the budget narrative be: for example, are vendor quotes required to serve as a basis of estimate for each budget line item or are previous experience with similar activities sufficient justification?</i>	The budget narrative is sometimes referred to as the budget justification. The narrative serves two purposes: it explains how the costs were estimated and it justifies the need for the cost.
14	<i>Is there a maximum percentage (from the total project budget) that can be allocated to sub-grants/sub-awards/contracts to other</i>	Up to 40% of total program budget/works could be allocated to sub-grants/contracts.

	<i>organizations?</i>	
15	<i>What kind of legal document has to be developed in between prime and the sub: MOU, partnership agreement or any other specific format?</i>	It is up to an Applicant to choose the type of legal document.
16	<i>Can an international organization be a sub for different primes?</i>	Yes