Amendment One (1) to the Paraguay Culture of Lawfulness and Local Works Initiative Annual Program Statement 72052621APS00001

Dear Prospective Applicants:

The purpose of this Amendment One (1) to the referenced funding opportunity is to: (a) update **Section D, Letter C: Concept Paper Application Content** to revise the procedure for submitting applications; (b) update **Section H, Letter A, numeral 4: Other Information - Local Works** to include a link to the results of a recent Local Works listening tour so as to provide additional information regarding Local Works programming; and (c) include Questions and Answers (Q&A) received in response to the subject APS, as **Annex A**.

Except as expressly amended herein, all other terms and conditions of the APS remain the same.

Thank you for your interest in USAID/Paraguay programs.

Most Sincerely,

G. Michael Junge
Regional Supervisory Agreement Officer
USAID/Peru

Reference: Funding Opportunity 72052621APS00001

Amendment Number: One (1)

Issuance Date of Amendment Number One (1): September 20, 2021

Subject: Amendment One (1) to the Paraguay Culture of Lawfulness and Local Works Initiative – Annual Program Statement Number 72052621APS00001

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Annual Program Statement Number 72052621APS00001 is hereby modified as follows:

I. SECTION D: APPLICATION AND SUBMISSION INFORMATION

C. Concept Paper Application Content

Remove the first paragraph beginning "Concept Papers can be in English or Spanish" in its entirety and replace it with the following:

"Concept Papers can be in English or Spanish. They must be submitted electronically via the following Google Form link: https://forms.gle/ZonwWRBYP6FoRsPb7. Applicants must complete all required questions in the Google Form. Concept Papers must not exceed **two (2) pages**, using standard page margins with 12pt Arial font. Applicants must follow the format below. Clarity and specificity are important, as is ensuring that the Concept Paper narrative addresses the points USAID/Paraguay will use to review the Concept Paper (see Section E Merit Review Criteria). USAID/Paraguay will reject Concept Papers that are vague or merely restate Paraguay Culture of Lawfulness and Local 13 Works Initiative language. Where applicable, applicants should include letters of support from potential Resource Partners which demonstrate the Resource Partner's interest in the activity as annexes."

II. SECTION H, OTHER INFORMATION

A. PROGRAM FUNDING AREAS:

Delete numeral **4. LOCAL WORKS** in its entirety and replace it with the following:

"**Problem Statement**

In Paraguay, disadvantaged groups are excluded and deprived from access to quality public services, including health, education, economic opportunities, and infrastructure.

Background

Paraguay's Country Roadmap helped visualize one of Paraguay's greatest development hurdles: "social group equality" as it is one of the lowest in the region. Paraguay continues to be the fifth most unequal country in Latin America. However, the foundations for development exist. There are a number of advanced grassroots platforms, cooperatives perhaps being the best examples. They are built around the principles of common good, mutual respect, self-determination, and have been the drivers of Paraguay's recent economic development. In addition, there is a culture of solidarity or "minga", a traditional form of collaboration that helps communities work together to solve problems, especially when the government is absent. Notably, women play a key role in mingas, - and their voice is growing. Thanks to a culture of solidarity and association, Paraguayans seem to have a unique ability to overcome difficulties, and they are ready to take on the responsibility to design, fund and become accountable for their own development, rather than limiting themselves to being mere beneficiaries of foreign assistance.

Guidelines

Under Local Works, local actors can collectively identify their own development needs, agree on a common agenda and form networks and alliances to achieve that agenda. Grassroots organizations will exercise their own agency by acting on those needs and demanding that all stakeholders take ownership for change. More established local organizations, with greater institutional capacity, will serve as mentors during this process. More seasoned local CSO partners will be Allies in Development, providing training and capacity building, as determined by beneficiaries, who will actually become key stakeholders. USAID's role will be that of a facilitator, catalyzer and convener, not a leader. Treating beneficiaries as stakeholders is at the core of the Local Works approach.

Local Works activities will strengthen and support networking between grassroots organizations and other community groups, local governments, private sector, other resource partners, and more seasoned civil society organizations empowering them to create their own development plans based on their context, culturally acceptable solutions, existing constraints and available resources using innovative holistic and systemic approaches to locally led development. Activities will also support the resiliency of communities by promoting sustainable solutions that reduce risks, improve diversification and adaptation and leverage the strengths and assets of experienced local partners.

Local Works prioritizes Monitoring, Evaluation, and Learning (MEL) approaches, systems, and tools that align with local communities' needs and what will be most useful for them, rather than on the donor's needs. The focus is on learning, which is at the center of the monitoring and evaluation approach throughout implementation. Applicants should financially plan accordingly, including not only specific MEL personnel,

but also sufficient resources for systematic data collection, internal evaluations, and regular learning exercises throughout the life of the program. Throughout the program, the Mission will facilitate interventions based on feedback from local stakeholders.

Under Local Works, USAID seeks to support local and non-traditional partners for innovative, adaptive, and locally led development approaches in areas related to health, education, economic opportunities, and community infrastructure. The prioritization of these areas is generally a result of a listening tour commissioned by USAID in the first semester of 2021, in Paraguay's eight poorest departments. USAID looks for partnerships that aim at addressing challenges identified by communities during this listening exercise, which after being awarded must include a community-led participatory activity design process and capacity building approach. The full report of the listening tour with areas prioritized by consulted communities is available on USAID/Paraguay's website (https://www.usaid.gov/paraguay/reporte-final-listening-tour)

Illustrative examples of interventions include

- Activities in the health sector that help families have access to low-cost but high quality health services, supplies and medicines. Examples could include access to insurance, social pharmacies, equipment and supplies for local health centers, attracting professional health care workers to marginal communities, and ambulances. Preventive health, healthy environment and solid waste disposal would also be considered.

- Activities that improve economic opportunities for families such as support to value-chains and identification of markets, technical training in trades and skills leading to formal employment identified per employment market requirements, increased access to financial information and training and technical assistance in business planning, access to business loans and other low-cost financial help. Other activities could include improving child care services allowing mothers to dedicate time for income producing activities.

- Activities in the education sector that support: a) for improved virtual education such as access to smartphones, computers or internet; b) to help make technical and university level education accessible economically as well as geographically; and c) for students wishing to complete high school and post-high school studies.

- Activities that support for improved small-scale infrastructure including, including but not limited to minor constructions and maintenance of roads and bridges, access to electricity, access to housing programs, housing refurbishment and access to clean water.

USAID/Paraguay proposes the following theory of change, however, opening to innovation and different strategies, applicants may propose a theory of change that is in line with their specific approach.

Theory of Change

If:

● Communities are enabled to self-identify their needs and priorities, and plan their own development solutions, and

● They receive support from resource partners and more advanced organizations, using a holistic systems approach,

Then:

● Communities will overcome their barriers to development and thrive.

Purpose Statement

USAID will work with grassroots organizations, with a special focus on women and youth, and other vulnerable populations, to help them self-identify their needs and lead their own development solutions, fostering ownership and empowerment, and building accountability and resiliency within the community and at the national level.

Geographic Scope

Concept Papers for support under Local Works must be geographically focused in one or more of the following departments: Concepcion, San Pedro, Guaira, Caaguazu, Caazapa, Paraguari, Canendiyu, and Alto Paraguay."

III. ANNEX A

Add **ANNEX A** at the end of the APS, after Section H - OTHER INFORMATION following "[END OF SECTION H]," as follows:

ANNEX A
QUESTIONS AND ANSWERS
PARAGUAY CULTURE OF LAWFULNESS AND LOCAL WORKS INITIATIVE
Annual Program Statement Number 72052621APS00001

Q.1. Because the USG has signed an agreement with the government of Paraguay, can the Paraguayan government be considered as a Resource Partner?

Yes, while this would be unlikely, it would be possible to consider the Paraguayan Government as a resource partner. However, there would be certain limitations and, therefore, USAID would need to review such proposals on a case-by-case basis. The goal of cost leverage is to bring additional resources to help solve an identified problem. If the resources are coming from a Ministry or other governmental body that normally deals with the identified issue, such contribution would not be considered cost leverage.

Q.2. Is the 1:1 matching contribution applicable to concept papers proposing rule of law focused programs?

While 1:1 matching contribution is not required, it's highly desirable. USAID may accept lower matches. Remember that cost leverage is any additional funds or resources that are additional to USAID funding to help solve the problem which could include volunteered labor, meeting space, or other contributions..

Q.3. Can USAID please confirm that local entities are allowed to partner with international NGOs (as subgrantee) so long as the local entity is the prime awardee?

Local entities are allowed to partner with international NGOs. Please refer to Section A, Letter C for additional information on this point.

Q.4. Can a potential Implementing Partner select more than one area to work on?

In some cases, yes, they can be complementary.

Q.5. The deadlines indicated (below) for the submission of concept notes, do they correspond with the areas or are different times in which the initiatives contained in the concept notes can be presented?

1. June 14 - 18, 2021
2. August 16 - 20, 2021
3. October 11 - 15, 2021
4. February 14 - 18, 2022
5. April 25 - 29, 2022

Please refer to Section D of the APS. These dates apply for all concept notes, regardless of focus area. All concept notes can be received on the dates mentioned above.

Q.6. Must all the leverage contributions be in cash? Or can contributions be in-kind in a case where an alliance is being proposed.

As mentioned in Section C of the APS, the preference is for a 1:1 match but such match is not a requirement. Matches of less than 1:1 will be evaluated according to the evaluation criteria (Section E).

Q.7. Should the letters of expression or intention of alliances express the type of contribution that each organization or company is going to incorporate into the initiative?

Please refer to Section D of the document APS 72052621APS00001. The greater amount of information about alliances or types of partnerships, will be very helpful.

Q.8. Can an organization submit a Concept Note in alliance with an organization which is not legally registered?

All Implementing Partners must be legally registered in their country of origin. It may be the case that an allied organization is not legally registered. USAID will review such circumstances on a case-by-case basis.

Q.9. For the proposal to be submitted, part of the financial resources (cash) that will be presented as counterpart of this foundation is composed of resources managed at regional level (given the international character of X (redacted)). In this regard, please clarify whether these funds should actually be deposited in the bank account exclusively for the project in Paraguay, or whether it will be possible to present supporting documentation that proves the existence of these funds and their application to the project from the accounts of origin (through direct payments to suppliers that are adequately supported).

Please refer to Section D of the APS. In the event an organization submits a Concept Paper and then qualifies for the co-creation process, these questions will be answered in that stage but basically it will need to be demonstrated that the resource(s) would not have been provided if USAID had also not provided the funds.

Q.10. How will the financial contribution received from the Resource/Implementing Partners be documented in general terms? Will it be necessary to receive funds in the project's exclusive account or will it be sufficient to present the invoices received for the expenses incurred for the implementation of the project by each partner?

Please refer to Q.9 above.

Q.11. Will it be possible to cover expenses from abroad and provide supporting documentation issued abroad? For example: purchase of technological inputs for import, which by their nature can only be acquired outside Paraguay.

Please refer to Q.9 above.

Q.12. Is it possible to present an alliance with international organizations that also facilitate the mobilization of resources to achieve the project results?

Yes, alliances with International Organizations are possible.

Q.13. When submitting a concept note aiming to be an Implementing Partner, it is required to have a resource partner?

Please refer to Section A - PROGRAM DESCRIPTION. letter C of the APS. While not a requirement, it will improve the scoring when the concept note is evaluated.

Q.14. Does only the prime applicant need to be registered in the System for Award Management (SAM)? What about subawardees and partners?

The prime applicant needs to be registered in the System for Award Management (SAM). Subawardees who will receive funds also need to be registered in the SAM. Partners who will not receive funds from the program but will be supporting it do not need to be registered in SAM.

Q.15. Will private sector organizations' participation as resource partners be of competitive value regarding other proposals at the time of evaluation?

Each Concept Note will be reviewed individually, according to the Section E - APPLICATION REVIEW INFORMATION

Q.16. Can organizations currently implementing USAID projects present proposals as implementing partners?

Please refer to Section C - ELIGIBILITY INFORMATION, which states that Implementing Partners applying for USAID funding under this APS must fall under USAID's definition of Local, Locally Established, New and/or Underutilized Partner (as defined in SECTION A). Current Implementing Partners may apply so long as they fall under one of the required categories of Implementing Partner.

Q.17. Can organizations currently implementing a USAID project be included as resource partners (providing leverage with non-USG funds)?

Yes. Please refer to Q 16 above.

Q.18. How is leverage reported? is there a percentage that should be in cash and another percentage in kind or can it be all in kind (for non-private sector partners)?

There can be different ways of leverage reporting, depending on the type of instrument USAID awards. Under the Paraguay Culture of Lawfulness and Local Works Initiative the preference is that there be a 1:1 match (for every dollar that USAID provides, the implementer finds a matching dollar) with 50 percent of that in cash. We will accept lower matches, but the evaluation criteria considers the strength of the match, as indicated on Section C - ELIGIBILITY INFORMATION, B. Leveraging.

[END OF ANNEX A]