**REGIONAL OFFICE OF ACQUISITION & ASSISTANCE**

Issue Date: April 30, 2021
Closing Date: April 29, 2022

Subject: USAID/Paraguay – Culture of Lawfulness and Local Works Initiative - Annual Program Statement (APS) Number 72052621APS00001

Program Title: Paraguay Culture of Lawfulness and Local Works Initiative

The United States Agency for International Development in Paraguay (USAID/Paraguay) seeks applications from non- and for-profit organizations to participate in USAID/Paraguay's Culture of Lawfulness and Local Works Initiative - Notice of Funding Opportunity (NOFO)/ Annual Program Statement (APS). We are also seeking information from entities who may wish to help us assist these organizations with financial or in-kind support.

The Paraguay Culture of Lawfulness and Local Works Initiative seeks to engage the private and civil sectors in priority areas, as defined by the Government of Paraguay (GOP) and the United States Government (USG). The Paraguay Culture of Lawfulness and Local Works Initiative is designed to increase sustainability and impact in the following areas: Rule of Law, Formalization of Economic Opportunities, Civil Society Oversight, Local Works, and the COVID-19 pandemic, as outlined in Section H - Other Information, A - Program Funding Areas. USAID/Paraguay is interested in providing both financial and non-financial support in these areas.

For entities who wish to seek funding (Implementing Partners), this APS requires a 2-page concept paper. It is desirable that there be at least a 1:1 match (for every $1 of USAID money, there is a match of $1 of outside funding) of the activity's overall cost. Matches of less than 1:1 will also be reviewed on a case by case basis.

For entities who wish to provide funding (Resource Partners), please review the "Getting Started" section - Resource Partners) on page 6.

Interested organizations must read this document in its entirety and follow the instructions to become involved in this APS.

Please note the following definitions:

1. **Implementing Partner** - non-profit or for-profit organization that requests to receive

resources.

2. **Resource Partner** - non-profit or for-profit organization that will contribute resources.
3. **Resource/Implementing Partner** - non-profit or for-profit organization that contributes and receives resources.

**NOTE: Before submitting an application, applicants must be registered in the System for Award Management (SAM) system and hold a valid Dun and Bradstreet Universal Number System (DUNS) number. The registration process for these systems can be quite lengthy. Applicants are encouraged to begin the registration process as early as possible. See SECTION D: APPLICATION AND SUBMISSION INFORMATION Section 6(d) of this APS for additional information.**

Questions about this APS can be submitted by email to: paraguayoaa@usaid.gov. Questions will be responded to in a timely manner, which could include waiting quarterly until there are sufficient questions and responses. Responses to questions will be posted as an amendment to this APS. Depending on the response, USAID/Paraguay may make multiple awards or, if there are not sufficiently suitable awards, none.

This is an exciting opportunity to make a difference, and I sincerely thank you for your interest in the Paraguay Culture of Lawfulness and Local Works Initiative. We look forward to working with you!

Sincerely,

Mike Junge

Digitally signed by Mike Junge
Date: 2021.04.30 09:40:10 -05'00'

G. Michael Junge
Agreement Officer
USAID/Peru

**Paraguay Culture of Lawfulness and Local Works Initiative**

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## SECTION A: PROGRAM DESCRIPTION

This Annual Program Statement (APS) is authorized in accordance with the Foreign Assistance Act of 1961, as amended, and is intended to increase the sustainability and impact of USAID/Paraguay's development assistance through civil society and the private sector, as well as related partnerships in the following areas:

1. Rule of Law
2. Formalization of Economic Opportunities
3. Citizen Oversight
4. Local Works
5. COVID-19 Response

These areas are further elaborated in Section H - Other Information, A - Program Funding Areas.

### A. Background

USAID/Paraguay is committed to supporting Paraguayan leadership by prioritizing programs that incentivize reforms, strengthen country capacity, and mobilize domestic resources. "External development aid is more likely to catalyze sustained development processes when they reinforce a country's internally determined development priorities (country ownership) and arrangements (local systems) (Source: https://www.usaid.gov/sites/default/files/documents/1870/LocalSystemsFramework.pdf). This frames the need for Local Ownership. Furthermore, for results to sustain, one needs to engage the local system as a whole - government, civil society, and the private sector - focusing on local actors, their interrelationship, and the incentives that guide them (Ibid., p. 4). Local ownership and local systems are the foundation for sustainable development and hence, self-reliance.

To advance strategic transition and new models of bilateral engagement, spur innovation, and align with the private and civil sector's interests and opportunities, USAID/Paraguay has launched the Paraguay Culture of Lawfulness and Local Works Initiative. Experience has shown that engaging the private and civil sectors can be a force multiplier for transformational change. These sectors bring expertise, markets, assets, and innovation. Furthermore, the flow of potential partner resources far surpasses the level of official development assistance dollars. It is not just about dollars, though; local actors can help solve critical development problems and promote effective, sustainable development through market-led solutions or public pathways. The desired goal is that the Paraguay Culture of Lawfulness and Local Works Initiative will create links between the private sector and development partners that will continue once USAID funding ends. Recognizing and capitalizing on these opportunities, the Paraguay Culture of Lawfulness and Local Works Initiative will catalyze, facilitate, and support such collaboration.

The Paraguay Culture of Lawfulness and Local Works Initiative provides a non-traditional approach for achieving these objectives. Within this context, USAID/Paraguay will prioritize

private and civil sector-driven solutions, multi-stakeholder partnerships for shared value, and innovation. USAID/Paraguay encourages forging partnerships that promote collaboration with the private sector and civil society in the joint definition of development challenges; identification of the most promising, impactful solutions; and mutual contribution of resources. Focus is placed on local solutions that bring multiple stakeholders to the table to collaborate and systemically change how assistance is transacted, and results are achieved to build a sustainable model that will hopefully continue well into the future. This multistakeholder, systemic and holistic approach should be inclusive of vulnerable populations and capitalize on Paraguay's demographic bond by garnering the power of youth. Ideally, solutions will involve building the capacity of the Government of Paraguay (GOP) so that it will be able to tackle development problems as they arise.

USAID defines innovations as those interventions that introduce novel business or organizational models, operational or production processes; financing; or products or services that lead to dramatic improvements (not incremental) in addressing development challenges. Innovation may incorporate science and technology, but this integration is not required. Innovation should help produce significant development outcomes more effectively and sustainably to reach more beneficiaries in a shorter period. As relevant, the Paraguay Culture of Lawfulness and Local Works Initiative may focus on identifying, testing, sharing, and scaling such game-changing interventions.

### B. An Invitation for Co-Creation and Impact

The Paraguay Culture of Lawfulness and Local Works Initiative is USAID/Paraguay's invitation to civil society and the private sector to work with USAID as an Implementing Partner (e.g., NGOs, private sector concerns, and others) or Resource Partner (e.g., corporations, local businesses, foundations, and others) to determine how our respective interests and objectives align and jointly identify and define problems, challenges, and opportunities that can most effectively be addressed by working together. The Paraguay Culture of Lawfulness and Local Works Initiative also provides a process through which USAID, the private sector, and other prospective partners can jointly examine and leverage our respective expertise, resources, and capabilities to scope, develop and implement effective solutions to the problems and challenges identified. Mobilizing domestic public and private resources, especially from the civil and private sectors, is a priority of the Paraguay Culture of Lawfulness and Local Works Initiative. These partnerships help achieve core objectives in ways that could not be done alone. By engaging with these sectors, USAID hopes to increase the reach, efficiency, effectiveness, and sustainable impact of development investments and, as relevant, advance market-based solutions, as well as public pathways for scale.

The Paraguay Culture of Lawfulness and Local Works Initiative also encourages Implementing Partners to reach out to Resource Partners to explore ways in which collaboration with USAID/Paraguay might help each partner – private sector, NGO, and public sector contributors – to more effectively address key issues, advance shared development goals, and achieve exceptional development results and impacts in Paraguay. By inviting private and civil sector Resource Partners, Implementing Partners, and other public sector contributors to identify ways

we can collaborate, USAID/Paraguay seeks to foster a diverse array of high-impact partnerships to obtain significant results.

Many successful partnerships are grounded at the intersection between core business and shared interests and one or more of USAID/Paraguay's development objectives. To determine the intersection of business and philanthropic interests with USAID's development goals, USAID encourages prospective partners to study information available online about USAID's development objectives. USAID will encourage extensive communications with prospective partners during the full design phase once a concept paper has received a positive response from USAID.

## C. Getting Started

**What is the Paraguay Culture of Lawfulness and Local Works Initiative:**

The Paraguay Culture of Lawfulness and Local Works Initiative is an initiative to encourage new and innovative ideas, as well as public-private sector collaboration to create sustained, measurable improvements in development outcomes. USAID/Paraguay welcomes innovative and creative ideas that can be rigorously tested, shared, and potentially scaled in Paraguay within this context. Partnerships may include non-Paraguayan entities that have expertise not available in Paraguay to support local Implementing Partners. Through the Paraguay Culture of Lawfulness and Local Works Initiative, USAID/Paraguay is open to considering a wide range of approaches to achieve its development objectives. It is understood that all partners will share risks and responsibilities.

Awards under the Paraguay Culture of Lawfulness and Local Works Initiative may be structured in various ways.

**In what areas is USAID/Paraguay seeking to form partnerships?**

Partnerships developed under this Paraguay Culture of Lawfulness and Local Works Initiative must contribute to achieving one or more of USAID/Paraguay's core development objectives (see Section H - Other Information, A - Program Funding Areas).

**What types of partnerships is USAID/Paraguay seeking?**

The most promising partnerships emerge from a solid understanding of the Government of Paraguay's priorities, private sector interests, civil society considerations, and USAID's development objectives.

***Implementing Partner*:** USAID/Paraguay is seeking Local Entities, Locally Established Entities, New Partners and Underutilized Partners as Implementing Partners.

A **Local Entity** is an individual or organization that: (1) Is legally organized under the laws of Paraguay; (2) Has as its principal place of business or operations in Paraguay; (3) is

majority-owned by individuals who are citizens or lawful permanent residents of Paraguay; and, (4) is managed by a governing body, the majority of whom are citizens or lawful permanent residents of Paraguay.

A **Locally Established Partner** is an organization (indigenous, U.S., or international) that (1) provides private development assistance in Paraguay with funding from sources other than the U.S. Government; and (2) works through Paraguayan led operations to enhance the capabilities and commitments of organizations in partner countries.

A **New Partner** is an individual or organization that has received less than $5 million in obligated funds from USAID as a prime partner over the last five years.

An **Underutilized Partner** is an organization that has received less than $25 million in obligated funds fromUSAID over the past five years.

If your organization would like to work with USAID/Paraguay to solve development challenges independently or jointly with a Resource Partner, start with these steps:

- Follow the guidance in this APS;
- Review USAID/Paraguay's development objectives and priorities outlined in **Section H** - Other Information, A - Program Funding Areas.
- If you intend to engage a Resource Partner, identify and begin to engage prospective Resource Partners to understand their interests and priorities and explore potential alliance ideas. Connect the Resource Partner(s) with USAID as soon as possible (see below).
- Review the Application and Submission Information in **Section D** of this APS.
- Prepare and submit a Concept Paper for consideration.

***Resource Partner*:** Resource Partners must read this requirement in its entirety. If you are a Resource Partner who is interested in the Paraguay Culture of Lawfulness and Local Works Initiative but you do not have an implementer to work with, please contact paraguayoaa@usaid.gov with information on your sector(s) of interest and desired outcomes.

***Partnerships between Implementing Partners and Resource Partners***

If your organization is considering a partnership between an Implementing Partner and a Resource Partner, such partnership must engage the civil or private sector, aligning interests and opportunities and bringing ideas, innovations, experience, or expertise to realize solutions. While not required, strategic partnerships will ideally bring at least a 1:1 ratio of private sector resources with a minimum of 50 percent of the private sector resources in cash (lower ratios are possible but might not be as competitive).

Accordingly, an ideal partnership will:

- Ally a range of actors, with, as relevant, a backbone organization, around one of the focus areas (Section H - Other Information, A - Program Funding Areas);
- Define a measurable development impact;
- Ideally include leverage of 1:1 contribution of new, non-USG resources;
- Have an initial period of performance of no more than 60 months; and
- If focused on innovation, follow venture financing stages with proof of concept, commercialization, and scale based on evidence-based monitoring and evaluation.

### D. Funding Priorities

Please see Section H - Other Information, A - Program Funding Areas.

### E. Evaluation Process

Section D of this Paraguay Culture of Lawfulness and Local Works Initiative APS outlines the process for submission, evaluation, development, and selection of concept papers.

[END OF SECTION A]

## SECTION B: FEDERAL AWARD INFORMATION

### A. Estimate of Funds Available and Number of Awards Contemplated

The total amount of funding to be awarded will depend on the variety and quality of the concepts USAID/Paraguay receives but is estimated at approximately $40 million US Dollars with an envisioned 5-10 individual awards. USAID/Paraguay reserves the right to fund any, or none, of the concept papers submitted.

Concept Papers should have a request of at least USD $250,000. This includes both USAID funding and, where applicable, the match by a Resource Partner. However, it is not always true that more funding achieves better results; therefore, USAID reserves the right to fund concept notes that fall below this amount.

Please note that certain areas have limited funding or that funding does not currently exist (such as for COVID-19). As funding may be limited, we have tried to reduce submission requirements to a bare minimum (i.e., a two-page concept note). Please keep this in mind when deciding whether you would like to submit under this APS.

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

Applications must state a period of performance. The period of performance must be 60 months or less.

### C. Type of Award

Subject to funding availability, USAID/Paraguay may make multiple awards. Various award types are possible (Cooperative Agreements, Grants). Award type will be discussed once the concept paper is accepted. The actual award type or engagement will depend upon the most appropriate mechanism or approach for the intended results.

USAID/Paraguay may consider cost type awards to Public International Organizations, but will likely only do so for COVID related activities.

[END OF SECTION B]

## SECTION C: ELIGIBILITY INFORMATION

### A. Eligible Applicants

USAID/Paraguay is targeting potential local **Implementing Partners** and local or international **Resource Partners,** or **a combination of the two** for the Paraguay Culture of Lawfulness and Local Works Initiative.

- **Implementing Partners** are non-governmental or private sector entities (for-and non-profit). Implementing Partners may provide leverage themselves (which cannot include USG funding from other sources) or secure outside funding from a Resource Partner for the projects they propose to implement.

  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: PROGRAM DESCRIPTION, letter C - Getting Started of this APS). USAID/Paraguay will not accept Concept Notes from implementers who do not fall under at least one of these categories.

- **Resource Partners** can be either U.S. or non-U.S. private sector businesses, foundations, financial institutions, entrepreneurs, investors, philanthropists, and others who can identify and suggest ways to use their financial or other resources to collaborate with USAID/Paraguay.

USAID/Paraguay, in particular, is interested in working with Implementing and Resource Partners from the private sector and civil society that will mobilize domestic resources for development. This includes non-traditional development partners such as private businesses, business and trade associations, foundations, financial institutions, non-profit NGOs and for-profit development firms, and private educational institutions.

Concept papers must follow all instructions in this APS and should address the Merit Review criteria in Section E.

### B. Leveraging

USAID/Paraguay looks to develop strategic partnerships where the relationship between business interests and development objectives provides a promising opportunity for:

- the civil and private sector to leverage USAID's objectives, assets, and expertise to address key challenges and opportunities; and
- USAID to leverage private sector interests, assets, expertise, innovative financing, and markets in a manner that fosters or accelerates sustainable and transformational development impact.

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.

[END OF SECTION C]

## SECTION D: APPLICATION AND SUBMISSION INFORMATION

### A. Agency Point of Contact

For questions regarding the Paraguay Culture of Lawfulness and Local Works Initiative, please send via e-mail to the paraguayoaa@usaid.gov. The subject line must state "Questions Paraguay Culture of Lawfulness and Local Works Initiative - APS number 72052621APS00001." Questions can be submitted at any time during which the Paraguay Culture of Lawfulness and Local Works Initiative is active, but responses will be provided as an amendment to this APS only when there are a sufficient number of questions, or a question is particularly important to understanding the APS.

Concept Paper submissions must be submitted through the web form located here: https://forms.gle/ZonwWRBYP6FoRsPb7. Submissions via email will NOT be accepted. You must complete all required fields on the form. Once the completed form has been submitted, you will receive a confirmation email acknowledging receipt of submission. Please direct any questions or issues you may have to paraguayoaa@usaid.gov.

### B. Application Process For Implementers Seeking Funding

USAID/Paraguay will use the following process:

**Phase 1: Concept Paper submission**.

A Concept Paper is a short (2 pages maximum) document wherein the Applicant provides an overview of their idea. USAID/Paraguay has provided a template in Section C below.

When a Resource Partner is proposed, the Concept Paper must be accompanied by a letter(s) of support from the potential Resource Partner(s) (not included in the 2 page limit), including a description of the resource partner's interest and role in the alliance and the contributions (monetary or in-kind) each resource partner will make to the activity.

With the exception of COVID-10 related Concept Papers, which will be reviewed on a rolling basis if funds are made available, all other applicants must submit their Concept Papers during the following submission and review windows:

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

USAID/Paraguay will review Concept Papers as they are received.

Please note that each of the areas covered by this APS have different funding sources. Some areas are more restricted in the amount of funding available (In particular, there is minimal funding available for COVID). Although there are very limited funds in some areas, you are

still encouraged to submit a Concept Note. In very limited circumstances, if there is a particular Concept of note, USAID/Paraguay could try to advocate for additional funds.

USAID/Paraguay anticipates two possible results from the Concept Paper merit review process:

1. Conditional Acceptance whereby competition requirements have been met - Invitation for Co-Design: Concept Paper meets Paraguay Culture of Lawfulness and Local Works Initiative objectives and receives sufficient ratings against the merit review criteria. USAID/Paraguay invites the Applicant to engage in Co-Design to address any uncertainties identified by USAID/Paraguay in its Invitation for Co-Design letter to the Applicant. More detailed instructions on how to proceed will be provided at this time.

2. Concept Paper receives a low rating or does not meet the Paraguay Culture of Lawfulness and Local Works Initiative objectives: a decision to not proceed with further consideration of the alliance proposed in the Concept Paper.

**Phase 2: Co-Design of Activity**

Upon receipt of the Invitation for Co-Design letter, competition has been met, and the Applicant will continue the design process working with USAID's guidance. During this phase, Applicants will work with USAID design teams to develop a clearer understanding of the activity. During this co-design process, USAID staff will also help ensure that USAID activity requirements, such as environmental compliance and gender integration, are considered. If an Applicant at any point in the Co-Design phase does not meet expectations, the process will end for that Applicant.

Reasons why an Applicant may be unsuccessful at the co-design/full application phase could be:

- After discussions, the detailed program does not satisfy the criteria of Paraguay Culture of Lawfulness and Local Works Initiative does not match the original Concept idea as submitted;
- The Applicant cannot provide evidence that it is a legal entity capable of operating in Paraguay; or
- USAID/Paraguay has other concerns after conducting due diligence or pre-award surveys.

*USAID/Paraguay reserves the right not to make an award at any stage of the process.*

## C. Concept Paper Application Content

Concept Papers can be in English or Spanish. They must be submitted electronically via e-mail in Word. 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

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.

## Sample Concept Paper Outline

**Section 1: Program and Contact Information (information for Section 1 can be a cover page which does not count towards the two-page limit)**

- USAID/Paraguay's Development Objective to be addressed (chose from one of the five categories)
- Applicant's Organization Name and Address
- Applicant's Organization Contact Person (name, title, email, telephone number of the person who can legally sign the award)
- Type of Organization (*e.g.*, Paraguayan, U.S., multilateral, governmental, private, for-profit, non-profit, date of incorporation, *etc*.)
- Name(s) and Contact Information of possible Partner(s). Applicants that are Implementing Partners will name Resource Partner(s) here, and Resource Partners will list Implementing Partner(s) (if any) here.
- Estimated total amount - specify USAID request funding versus what the Resource Partner will contribute (differentiate between cash and in-kind contributions).
- Estimated start and end dates (awards can not exceed 60 months in duration).

**Section 2: Development Problem to Be Addressed** (This section should be no more than three-quarters of a page to one page)

- The **Development Problem** to be addressed: A **ONE** sentence statement of the development problem. An example would be "The Justice system lacks independence from political forces, needed for the rule of law to prevail." This must be a problem that you will be able to say that you have solved when your award is finished.
- **Theory of Change** (https://usaidlearninglab.org/library/theories-change ). This is limited to one sentence and is in the format – **IF** (A, B, or C happens), **THEN** (X, Y, or Z will happen). For the "IF" statement, restate the development problem as if you have solved it. For the "then" statement, tell us what you expect will then happen once you have solved the problem.
- **Magnitude of Change**: Tell us what you will expect to be able to achieve for the money that you are asking, i.e., "For the amount of $X, we will achieve the following (state what you will achieve with the money - not details but the big picture)."
- **Top Level Indicators**: Provide 5-10 indicators of the things you will be tracking to ensure that the award achieves its goals. For example, the number of people vaccinated, the number of hectares of forest saved, etc.
- **Executive Summary of Gender**: Only a few sentences. Provide an executive summary of how you plan to incorporate gender roles within your award. Gender is not just about an equal distribution of assistance to men and women, but how will your activity affect men differently from women, and how will you mitigate those risks.

- **Executive Summary of Climate Change/Environmental**: Only a few sentences. First, consider how your activity will affect the environment. For many activities that involve technical assistance, the impact might be minimal unless, for example, you are providing technical assistance on how to manage natural resources or you are helping in a vaccination program, and you need to consider the disposal of needles and syringes (biohazard). Second, consider how climate change might impact your activities. Consider, for example, natural disasters caused by climate change (wildfires, floods, etc.).

**Section 3: Description: Purpose, Research that you have done, who else is working in this field, why you have chosen this particular Development Problem, or why you think you can solve it?** (This section should be the majority of the two pages)

- Describe what it is that you hope to accomplish with this award. You should include what the relationship to the Resource partner is and why they are interested.
- Recent/relevant history of the problem and any attempts to solve it. Only provide background information relevant to the specific problem you are trying to address and not a general background of the problem's entire history.
- Who else is trying to solve the problem now? Who "owns" the problem? Why should USAID be involved? Why are you best positioned to solve the problem?

**In summary** - the two pages of the Concept note must have the following elements:

1. **Development Problem** - one sentence.
2. **Theory of Change** - one sentence.
3. **Magnitude of Change** - what do you hope to do with the money
4. **Top indicators** - 5-10 indicators
5. **Executive summary Gender** - a few sentences
6. **Executive summary Climate Change/Environment** - a few sentences
7. **Background** - relevant background - where applicable, what is the relationship to the resource partner?

**Section 4: Preliminary Budget Estimate (not included as part of the two-page limit)**

- Budget: This Budget Estimate is not included as part of the 2-page limit. At a minimum, the budget must state an estimate of how much US funds are being requested and how the resource partner will contribute to the project.

**Section 5: Leverage Partners (where applicable - not included as part of the two-page limit)**

Please provide letters of commitment from any proposed Resource Partners. These do not have to be in final form but should indicate that the Resource Partner has stated that they will be willing to commit cash or in-kind contributions should the implementer receive an award. Each

commitment letter must also have a supplemental memo not to exceed one page for each commitment (not included in the two-page limit) with the following information:

a) Potential partner Name (include the point of contact);
b) Interest of the Partner (why are they interested in investing in this activity);
c) Interest of USAID (what is the development impact);
d) Leverage Type (in-kind, expertise, cash, etc.);
e) Level of Contribution (quantifiable amount); and
f) Description of Partnership.

**Section 6: Additional Requirements (not included as part of the two-page limit)**

**a.** *Organizational Structure*

Applicants must submit a list of the names and positions of all members of the Board of Directors and shareholders in their entity.

***b.*** *System for Award Management Registration and DUNS Number*

*NOTE: Dun and Bradstreet Universal Numbering System (DUNS) Number and System for Award Management (SAM) https://www.sam.gov/SAM/ (registration is always free - do not use websites that charge a fee to register).*

Applicants are required to:

(i) Be registered in SAM before submitting its application.
(ii) Provide a valid DUNS number in its application; and
(iii) 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.

No awards will be made until the applicant has complied with all applicable DUNS and SAM requirements. If an applicant has not fully complied with the requirements by the time the Federal awarding agency is ready to make a Federal award, the Federal awarding agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

[END OF SECTION D]

## SECTION E: APPLICATION REVIEW INFORMATION

### A. Merit Review Criteria

USAID/Paraguay will review all Concept Paper applications that comply with this APS instructions. USAID/Paraguay will use the following merit review elements, which are of equal importance (with each sub-review element in the third column of equal sub-importance).

| | Merit Review Element | Definition |
|---|---|---|
| USAID/Paraguay will review each Concept Paper and evaluate it to the degree it meets the criteria at the right: | **Development Approach** | 1) A sound understanding of the problem.<br>2) Reasonable and innovative approach to solving the identified problem.<br>3) Clearly articulated theory and magnitude of change.<br>4) Innovation (as relevant) - proof, commercialize and scale. |
| | **Partnerships** | 1) Multi-stakeholder engagement - relevance, expertise, experience, resources, innovations, and assets.<br>2) Sustainability and long-term impact of the intervention after USAID funding ends. |

[END OF SECTION E]

## SECTION F: FEDERAL AWARD ADMINISTRATION INFORMATION

A. Federal Award Notices: USAID/Paraguay cannot make awards under this APS until it has appropriated, allocated, and committed funds through internal USAID procedures. While USAID/Paraguay anticipates successfully completing these procedures, potential Applicants are notified of these requirements and conditions. The Agreement Officer (AO) is the only individual who can legally commit USAID to the expenditure of public funds. Applicants are prohibited from charging or incurring costs to the proposed award prior to receiving either a fully executed award or a specific, written authorization from the AO.

B. Due to the nature of the collaboration implicit in the Paraguay Culture of Lawfulness and Local Works Initiative awards, USAID/Paraguay believes that Fixed Amount Awards (whereby USAID provides a specific level of support for which the Agency does not base payment upon the actual costs incurred by the recipient, but rather performance and results) and/or Cooperative Agreements (in which substantial involvement will include approval of implementation plans, key personnel, and Agency and Recipient collaboration or joint participation) will likely be the primary vehicle for this initiative. Still, the actual award type or engagement will depend upon the most appropriate mechanism or approach for the intended results. Each award will be individually negotiated.

C. Awards will include all USG regulatory requirements, including Mandatory and any As Applicable provisions (https://www.usaid.gov/sites/default/files/documents/1868/303mab.pdf).

New applicants will require a Non-U.S. Organization Pre-Award Survey and results may require Specific Conditions placed on the award https://www.usaid.gov/sites/default/files/documents/1868/303Peru Alliances.pdf.

Each award will be individually negotiated.

[END OF SECTION F]

## SECTION G: FEDERAL AWARDING AGENCY CONTACTS

The Agreement Officer for this APS is:

G. Michael Junge
Regional Agreement Officer
Regional Acquisition and Assistance Office (ROAA)
USAID/Peru
La Encalada Avenue, Block 17
Monterrico, Lima 33 Peru
gjunge@usaid.gov

[END OF SECTION G]

## SECTION H: OTHER INFORMATION

### A. PROGRAM FUNDING AREAS

#### 1. RULE OF LAW

**Problem Statement**

Paraguay's justice system faces significant challenges that undermine its capacity to hold individuals and the government accountable for their actions.

**Background**

Corruption, fueled by impunity, is one of the most important impediments to Paraguay's development. Despite unprecedented levels of transparency following the enactment of the Freedom of Information Law, considerable high-profile corruption cases have been unveiled. Yet a still weak and politicized Judicial system enables impunity, undermining Paraguayans' public support for democracy--which fell sharply from 66.9 percent in 2012 to 51.2 percent in 2019 (Americas Barometer)-- one of the lowest in the region. Additionally, less than 75 percent of Paraguayans have confidence in the Judiciary. Strengthening the Rule of Law is key to promoting a culture of lawfulness against corruption and impunity. This requires judicial independence from political influences, and improved collaboration and efficiencies within the Justice system.

As stated in USAID/Paraguay's 2018 Rule of Law Assessment, an independent yet accountable judiciary is perhaps the most important institution of all in a democratic society that respects the Rule of Law. This assessment underscores the importance of engaging a broader audience in advancing the fight against impunity and corruption, including the private sector, civil society organizations (CSOs), academia, and others.

During a series of workshops held between December 2020 and January 2021, representatives from civil society, the private sector, law professionals and the judicial system concluded that the fundamental pillars of the Rule of Law are: a) an independent judiciary reflected in merit-based selection of judges and prosecutors and independent mechanisms for their removal; b) increased judicial efficiency reflected in the timely resolution of judicial cases and convictions in corruption cases, and c) collaborative engagement of the private sector, particularly law professionals and lawyers' associations, and civil society, including academia, in judicial reforms.

**Illustrative Examples of Interventions include:**

Select Justice-related Institutions with Strengthened Capacity To Fight Corruption And Impunity

- Working with different stakeholders to increase Judicial independence, including the processes for the selection and removal of judges and prosecutors;
- Fostering and enabling systems for Judicial transparency;
- Increasing Judicial efficiency through improved case management and IT tools, among others;
- Improving prosecutors' and judges ability to investigate, prosecute and decide on economic crimes and corruption cases; and
- Improving collaboration between justice-related institutions.

Civil Society And Private Sector Engaged In Advancing The Rule Of Law

- Increasing civil society and private sector collaboration in advancing the Rule of Law;
- Fostering private-sector market-based solutions for improved judicial efficiency and independence;
- Fostering judicial independence through civil society engagement, including political parties and candidates.

**Theory of Change**

If:

- Internal controls, transparency, efficiency and accountability throughout the government are improved,
- Engagement with the private sector and civil society is increased;

Then:

- Paraguay's justice system will be able to hold individuals and the government accountable for their actions.

**Purpose Statement:**

USAID will support efforts to strengthen the capacity of justice sector institutions to effectively tackle corruption and impunity, while engaging other key stakeholders including the private sector, civil society organizations and other relevant public offices. The purpose will be to strengthen the Rule of Law with a focus on increasing judicial independence and efficiency to foster the development objective of improved culture of lawfulness to reduce corruption in Paraguay.

## 2. FORMALIZATION OF ECONOMIC OPPORTUNITIES

### Problem Statement

Market inefficiencies, a poor business enabling environment and weak human capital result in a largely informal economy, which hampers opportunities for broad-based economic growth, particularly for women, youth and other vulnerable populations.

### Background

A large informal economy, which is fueled by corruption and a general culture of illegality, is an important impediment to Paraguay's development. An informal economy enables continued inequality, and prevents the benefits of economic growth from trickling down and resulting in inclusive economic growth. Women, youth, and other economic groups are particularly affected by the inequalities generated by an informal economy. Economic growth is a key part of promoting the culture of lawfulness in its entire spectrum, and breaking trends of unidimensional disconnected visions for development. It is essential for human development since the human capital of a country is what determines its success and its progress. The informal sector in Paraguay covers more than half of the economy, and is so problematic that the International Monetary Fund (IMF) refers to it as "unusually high." Informality accounts for around 40% of Gross Domestic Product (GDP), while informal workers represent 65% of the market.

In a series of formalization workshops held in December 2020 and January 2021 that focused on micro, small and medium sized businesses, representatives from civil society, the private sector and government noted that micro and small businesses are reluctant to formalize due to a fear that this will lead to government regulation and increase taxes and fees. Informal businesses don't see the immediate monetary benefits to formalizing. The participants also mentioned the need to streamline bureaucratic processes for registration and to make these more affordable as well as the need for monetary incentives to formalize such as loan financing or grants.

The root causes of informality in Paraguay can be divided into three main areas: Market, governance and human capital. Regarding the market, informality causes economic inefficiency, which produces macroeconomic distortions. Regarding governance, there are many challenges, including institutional weaknesses, bureaucratic barriers, the high cost of formalization and the lack of enforcement/sanctions for informality, deficiency in the provision of public services, and Paraguay's feeble investment climate. Regarding human capital, problems include a lack of decent economic opportunities, especially for vulnerable populations, including women, youth, people with disabilities, rural small-scale producers, indigenous people, and LGBTI persons.

**Illustrative Examples of Interventions include:**

**Market Efficiencies and Access to Resources**

- Increasing supply chain competitiveness, by providing assistance to value-chains in two to three economic sectors that have a high rate of informal activity;
- Increasing the resiliency of companies through access to resources and technologies that reduce risks and improve income diversification and adaptation.
- Enabling access to financial resources for formal micro, small and medium sized enterprises, including through private capital and foreign direct investment.
- Educating unions, enterprises and markets on the costs of corruption in doing business.

**Enabling Environment for Economic Governance**

- Fostering an improved business climate, including by promoting sectorial formalization policies and fostering increased economic incentives for formal businesses,
- Improving the regulatory framework and supporting IT solutions to simplify administrative procedures and reduce formalization costs
- Strengthening the government's ability to better support business development and incentives, including through small-business training centers, recognition of good business practices, certification schemes, and access to government resources including loans and grant funding.
- Improving collaboration with local governments.

**Human Capital**

- Increasing opportunities for formal employment, especially for vulnerable populations, through public-private partnerships.
- Improving the competitiveness of Small and Medium Sized Enterprises (SMEs) through training, technical assistance, and access to resources, among others, and with a focus on formalization;
- Developing microfinance instruments to support local development and entrepreneurship;
- Strengthening the ability of micro-entrepreneurs organizations to advocate for improved policies and enhanced competitiveness.
- Increasing access to relevant vocational training for vulnerable populations.

**Theory of Change**

If:

- Market efficiencies and access to resources are improved;
- The government improves the enabling environment for business;
- Human capital is improved, changing social behavior and improving resiliency;

Then:

- Formal economic opportunities will be advanced to build a culture of lawfulness in Paraguay.

**Purpose Statement:**

The purpose is to advance a more formal economy through initiatives that promote incentives and the enabling environment for formal businesses to thrive. By engaging key stakeholders, USAID will leverage private sector support for market-driven solutions. USAID will also improve the GOP's capacity to foster the enabling environment for a more formal and resilient economy, with focus on micro and small businesses, small entrepreneurs, informal workers and startups or recovering companies, especially those managed by women, youth, and other vulnerable populations.

**Geographic Scope:**

Concept Papers for support under Formalization should be geographically focused based on the Ministry of Commerce's areas of focus and the applicants own geographic area of expertise. Specific locations and sectors will be confirmed as a result of the co-creation process.

## 3. CIVIL SOCIETY OVERSIGHT

### Problem Statement

Paraguay's civil society lacks the tools, resources and institutional capacity to effectively tackle corruption and impunity in Paraguay.

### Background

Sustainable development requires strong, yet responsible citizen oversight to detect corruption, and hold those responsible accountable for their wrongdoings. The media and some NGOs have been the driving force behind anti-corruption reforms in the last decade, but civil society writ large should be involved to effectively tackle corruption and impunity in Paraguay. Paraguay has the second lowest level of support for democracy in the region. There is a widespread perception that democracy has not delivered: government corruption and inefficiencies persist, and despite sound macroeconomic levels, economic growth has not trickled down. The quality of education is one of the lowest in the region and also one of the lowest among countries of Paraguay's income category, which means Paraguay is on track to lose its demographic bond. Unfortunately, levels of accountability are surprisingly low. To tackle this situation, citizens' demands for changes should be channeled into a more structured, constructive and coordinated effort, seeking to reach a critical mass of diverse stakeholders to ensure sustained impact.

In a series of workshops held in January and February 2021 focused on the role that citizen oversight can play in building a culture of lawfulness, representatives of the judicial system, civil society organizations, private sector, lawyers and journalists noted that citizens must first improve their knowledge on how the judicial system works. Participants also pointed to the need for improved citizen capacity to harness publicly available information to detect irregularities, conduct oversight in a collaborative and responsible manner, and mitigate reputational and security risks. Participants also noted that multiple stakeholders, including journalists throughout the country, the private sector, youth, women and political parties are key to fighting corruption and impunity, in addition to NGOs.

### Illustrative Examples of Interventions include:

**<u>Improving the quality of information and independent reporting</u>**

- Promoting independent and responsible reporting and ethical standards across the media sector,
- Strengthening investigative journalism,
- Fostering civil society and private sector access to public information and open data

- Leveraging private sector resources and fostering market-based approaches to support transparency and improve oversight.

**Increasing engagement and coordination of diverse stakeholders**

- Implementing social behavior change communications campaigns to increase understanding, particularly among youth, of the social consequences of corruption and impunity.
- Encouraging ample citizen engagement in oversight and anti-corruption activities, with a special focus on engaging vulnerable groups, including women, youth, people with disabilities, indigenous and LGBTI groups.
- Fostering collaboration among non-traditional stakeholders, including faith-based organizations, youth groups and the academia in the fight against corruption;
- Promoting ethical standards in the private sector, including best practices such as the establishment of internal compliance units and due diligence;
- Promoting dialogue and anticorruption debates in elections and within political parties;
- Advancing gender equality in decision making processes.

**Strengthening civil society capacity**

- Developing citizen understanding of public financial management to increase accountability and advocacy for improved quality of public expenditures;
- Fostering multi-sectoral stakeholder dialogues and supporting networking for anti-corruption reforms.
- Increasing awareness and fostering debates on anti-corruption reform during elections.
- Building civil society capacity in areas such as strategic planning, project design, monitoring and evaluation, strategic communications, financial management, and fundraising.

**Theory of Change**

If:

- The quality of information and independent reporting are improved,
- Engagement and coordination of diverse stakeholders is increased, and
- Civil society capacity is strengthened,

Then:

- Citizen oversight will be improved and contribute to strengthen the culture of lawfulness.

**Purpose Statement:**

The purpose of this project is to improve citizen oversight resulting in increased government efficiency in service delivery, and reduced corruption and impunity..

**Geographic Scope:**

Applicants are encouraged to implement activities beyond Asunción and the Central Department. The geographic areas will be confirmed as a result of the co-creation process.

## 4. LOCAL WORKS

***NOTE: For Local Works programming only local, international, and/or U.S.-based organizations that have received less than $5 million from USAID in the past five years will be considered.***

**Problem Statement**

In Paraguay, disadvantaged groups are excluded and deprived from access to quality public services, including education, health, and economic opportunities, thus impeding social group equality.

**Background**

Paraguay's Country Roadmap helped visualize one of Paraguay's greatest development hurdles: "social group equality" 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, and 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 our assistance. 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.

Local Works will allow USAID/Paraguay to *support* **Grassroots Organizations** identify their own needs and priorities, come up with their own solutions, and then convene and facilitate their engagement with **Resources Partners** through a **Multi-sectoral systems** approach. 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 our approach.

Under Local Works, USAID seeks to support local and non-traditional partners for innovative, adaptive, and locally led development approaches.

As this is a fluid and dynamic program, the expected results and illustrative interventions will result from the listening exercises and systems analysis, the results of which will be posted online and shared widely. Throughout the program, the Mission will facilitate interventions based on feedback from local stakeholders.

**Illustrative examples of interventions include**

- Listening to local development actors and potential beneficiaries, enabling them to exert control over development interventions especially during strategy development and implementation.
- Strengthening and supporting networking between grassroots organizations and other community groups, empowering them to create their own development plans based on their context, culturally acceptable solutions, existing constraints and available resources.
- Convening, facilitating, catalyzing, mentoring, coaching, and co-creating with a wide array of stakeholders, including grassroots organizations, local governments, private sector and other resource partners, and more seasoned civil society organizations, using innovative holistic and systemic approaches to locally led development.
- Supporting the resiliency of communities by promoting sustainable solutions that reduce risks and improve diversification and adaptation.
- Leveraging the strengths and assets of experienced local partners and supporting them so that they can mentor and accompany smaller local organizations with less capacity and experience. Established partners will play a support role in building the capacity of new and underutilized partners.

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 based on the results of the listening exercise, and the applicant's own geographic area of expertise. Specific locations and sectors will be confirmed as a result of the co-creation process.

## 5. COVID-19 RESPONSE

*(Please note that at the current time, the mission does not have COVID-19 specific funding. We have included this section on COVID as we believe that USAID/Paraguay will receive funds in 2021, but there are no guarantees. Please consider this in your decision as to whether you choose to submit a concept note. The mission will review your concept note in the hopes that funding will become available. If your concept note shows merit, and if funding is received, you will receive instructions on the next steps.)*

**Problem Statement:**

The public health system in Paraguay is struggling with the challenges posed by the COVID-19 pandemic, including weak institutional capacity and scarce resources.

**Theory of Change:**

**If** the Paraguayan public health system is strengthened with improved capacity and resources to respond to the COVID-19 crisis, **THEN** the pandemic will be contained, and secondary impacts will be addressed.

**Purpose Statement:**

USAID will assist the Government of Paraguay to 1) stem the further transmission and re-emergence of COVID-19, including support to the vaccination against COVID-19; and 2) mitigate second-order impacts of the disease to prevent backsliding on shared, top-level development objectives.

**Background:**

The Paraguayan Government has taken successive measures to reduce the spread of COVID-19, including a strict lockdown and increase its health system capacity to care for COVID-19 patients. The disease has kept Paraguay's health system overstretched and overwhelmed at several points - most recently in March 2021 when intensive care and hospital beds were unavailable in most cities, and there were important medicine and oxygen shortages.

In terms of immediate needs, the Government of Paraguay requires medical equipment and supplies, particularly medicines and oxygen equipment; improved oxygen capacity; supplies for epidemiological surveillance; technical assistance in areas including emergency procurement, rapid and long term response to COVID-19, epidemiological surveillance (i.e.genomic surveillance), risk communication and community engagement, and vaccine deployment, including logistics and communications.

To address second-order impacts, the Government of Paraguay has rolled out a suite of emergency measures to expand social protection mechanisms and to adapt the education, the tax, customs, employment, and economic sectors to the new COVID-19 context. The Government of Paraguay also launched a recovery program that includes a plan to improve the quality of public expenditures, several actions to stimulate the economy and put the country back in a path of convergence between public debt and sustainable economic growth. However, further interventions in these sectors may be necessary depending on the disease's trajectory and ongoing efforts to contain it. COVID-19 has disrupted thousands of families' livelihoods in both the formal and informal economy, opening up opportunities for illicit activities to thrive and putting formal businesses at risk.

**Illustrative Indicators:**

Number of households trained to contribute to COVID-19 surveillance (i.e., identifying and reporting suspected cases and implementing household measures to decrease transmission).

Number of households trained to adequately manage mild and moderate COVID-19 patients (e.g., use of pulse oximeters, use of oxygen in the household, alarm signs indicating the need for care at a health facility).

Proportion of the population with adequate knowledge on vaccines against COVID-19.

Number of Regional Health Directorates or Integrated Health Network Directorates that reach targets for vaccination against COVID-19.

Proportion of Regional Health Directorates or Integrated Health Network Directorates that reach targets for vaccination against COVID-19.

Number of Regional Health Directorates or Integrated Health Network Directorates that maintain target coverage levels for vaccination against COVID-19.

Proportion of Regional Health Directorates or Integrated Health Network Directorates that maintain target coverage levels for vaccination against COVID-19.

Number of Regional Health Directorates or Integrated Health Network Directorates or health facilities with information-based plans to manage oxygen resources (e.g., estimation of requirements for different epidemiological contexts, procurement plans, operation, maintenance, and replacement planning and budgeting).

Proportion of Regional Health Directorates, or Integrated Health Network Directorates or health facilities with information-based plans to manage oxygen resources (e.g., estimation of requirements for different epidemiological contexts, procurement plans, operation, maintenance, and replacement planning and budgeting).

Proportion of health facilities not experiencing oxygen stock-outs.

Number of Regional Health Directorates or Integrated Health Network Directorates or health facilities with information-based plans to manage cold chain resources (e.g., estimation of requirements for different epidemiological contexts, procurement plans, operation, maintenance, and replacement planning and budgeting).

Proportion of Regional Health Directorates or Integrated Health Network Directorates or health facilities with information-based plans to manage cold chain resources (e.g., estimation of requirements for different epidemiological contexts, procurement plans, operation, maintenance, and replacement planning and budgeting).

Number of Regional Health Directorates or Integrated Health Network Directorates or health facilities with information-based plans to respond to COVID-19 re-emergence while maintaining regular health services.

Number of Regional Health Directorates or Integrated Health Network Directorates or health facilities implementing tools to improve their productivity (e.g., telemedicine solutions for routine follow-up of patients).

Number of households that received socio-economic support to address economic hardship suffered as a consequence of loss of life/livelihood due to the COVID-19 pandemic, including measures implemented to mitigate it.

Number of households that benefited from financial education to address to improve their recovery from the impact of the COVID-19 pandemic and the measures implemented to mitigate it

Number of households with improved access to financial services to improve their recovery from the impact of the COVID-19 pandemic and the measures implemented to mitigate it

Number of micro/small enterprises that received technical assistance to improve their sustainability/resilience to the COVID-19 pandemic and the measures implemented to mitigate it.

Number of micro/small enterprises that received technical assistance to improve their recovery from the impact of the COVID-19 pandemic and the measures implemented to mitigate it.

**B. Frequently Asked Questions**

**Question:** ***Can an organization submit more than one Concept Paper in response to this solicitation?***

**Answer:** Yes, but we would prefer Applicants to apply for the area where they see the most significant potential for an impactful alliance.

**Question:** ***Can my organization apply to 1 objective, or can it apply to various?***

**Answer:** The concept notes are reviewed by panels that have expertise in one specific subject area. Your concept note may have a greater likelihood of success if you submit it to the panel that has the most expertise. That said, if you believe your concept note meets multiple areas, you can list those areas, and then USAID/Paraguay will make the determination of which panel is most appropriate to review the concept.

**Question:** ***Could leverage funds come from a foundation or government, or do they have to come from the private sector?***

**Answer:** USAID/Paraguay is interested in working with Resource Partners from the private sector and civil society that will mobilize domestic resources for development. This includes non-traditional development partners such as private businesses, business and trade associations, foundations, financial institutions, non-profit NGOs and for-profit development firms, and private education institutions. While host country government funds are possible, it must be demonstrated that those funds are funds that the host government would not have committed if it had not been for this USAID award.

**Question:** ***Do Resource Partner funds go through USAID then to be passed on to the Implementing Partner through an agreement with USAID, or is the Implementing Partner expected to have a separate agreement with the Resource Partner to receive funding from them?***

**Answer:** This will be cost leverage whereby the funds do not need to go through USAID. The implementing partner needs to demonstrate that if it were not for USAID/Paraguay's funding, those resources would not have gone in resolving the problem.

**Question:** ***What is the minimum USAID award amount?***

**Answer:** Section A above designates minimum amounts of $250,000 (including both USAID and partner funding). USAID reserves the right to make awards of varying size and, in consultation after the submission and conditional approval of the Concept Paper, to adjust the amount either higher or lower.

**Question:** ***The APS mentions that a total of 5 to 10 awards will be made. Can USAID clarify if it envisions a maximum dollar threshold for grants?***

**Answer:** The maximum value of this APS is $40 million. USAID/Paraguay envisions that 5-10 awards will be made, for a combined total of $40 million.

**Question:** ***Could you please better explain what it means to be an "underutilized" partner? Does the $25 million threshold refer to total "awarded" amounts in the past five years (counting from March 2015 onwards)? Or does it refer to actual disbursed funds in the past five years?***

**Answer:** The $25 million is any USAID funding that your organization has received in the past 5 years. It is not the total amount of the award, it is either how much you have been obligated, or it is how much you have actually spent in the previous 5 years.

[END OF SECTION H]