U.S. Embassy in Tunisia
in conjunction with
U.S. Department of State
Bureau of Near Eastern Affairs
Office of Assistance Coordination (NEA/AC)

Catalog of Federal Domestic Assistance (CFDA) Number: 19.600

Supporting Small- and Medium- Enterprises' Access to Finance in Tunisia

Opportunity Number: ***SFOP0005162***

Key Information:

Announcement Type:	**New**
Date Opened:	**June 8, 2018**
Deadline for Questions & Notification of Intent to Apply:	**June 22, 2018**
Application Deadline:	**July 19, 2018**
Expected Date of Notification:	**September 1, 2018**
Federal Agency Contact(s):	**Katelyn Smith** **NEA/AC** **nea-grants@state.gov**

Funding Opportunity Synopsis

The U.S. Department of State, Bureau of Near Eastern Affairs, and the United States Embassy in Tunisia, Assistance Unit, are seeking proposals from eligible applicants to implement a program entitled *Supporting Small- and Medium- Enterprises' Access to Finance in Tunisia.*

This Notice of Funding Opportunity (NOFO) seeks to improve access to finance for small-, and medium-enterprises (SMEs) with three to forty-nine (3-49) employees in Tunisia. Applicants should propose a strategy to work with non-traditional lenders and investors (including angel investors, and/or risk capital/venture capital associations) and/or small regional banks to develop financial products and services tailored to the needs of SMEs. The applicant should also propose a strategy to work with business associations or similar intermediaries to provide improved services focused on financial management, as well as to bolster SMEs' awareness and understanding of new or innovative financial products and their potential to meet unique financing needs.

A successful applicant should clearly and succinctly outline a detailed plan for how each objective will be achieved and how monitoring and data will be collected and analyzed. Applications should also demonstrate a strong capacity to establish partnerships and work with identified business support organizations, non-traditional lenders or investors, and/or small regional banks. Applicants should design partnerships with the goal to reach women- and youth-owned businesses through new and innovative financial products or services.

The successful applicant will demonstrate how projects supported as a result of this NOFO **shall** not duplicate ongoing or planned work in Tunisia, and **shall** demonstrate that their efforts are working in conjunction with other Tunisian and international donor programs to solve the complex challenges facing the SME sector in Tunisia. A project(s) resulting from this NOFO shall also coordinate its activities closely with the Ministry of Industry and SMEs, as well as other relevant Ministries and government agencies, including the Ministry of Finance and the Central Bank.

Eligible Countries and Territories:

In this announcement, we seek to support projects in Tunisia. Applications that focus on activities in countries and territories other than Tunisia will **NOT** be considered.

All applications **must** be submitted in English. Applicants may submit only one application. Complete information on how applicants can submit proposals for this opportunity can be found in Section VI below.

Background Information about NEA/AC:

The U.S. Department of State's Bureau of Near Eastern Affairs, Office of Assistance Coordination (NEA/AC) offers Economic Support Fund (ESF) assistance to groups and individuals striving to bring about positive change in the Middle East-North Africa region. The Assistance Coordination Office funds projects in 20 countries and territories, partnering with governments, civil society organizations (CSOs), community leaders, youth and women activists and private sector groups to advance their efforts. Competitively selected projects aim to foster participatory governance, economic reform, and educational advancement in response to local interest and needs.

Background Information about the U.S. Embassy in Tunisia:

The United States Embassy in Tunisia (Embassy Tunis) remains a committed partner to Tunisia by working with its government, private sector, and civil society as they lay the foundation for the country's future. Since 2011, The United States has supported Tunisia's democratic transition with economic, security, and governance assistance. U.S. support focuses on strengthening the Tunisian business climate to support the growth of enterprises, jobs, and bilateral trade; and fostering inclusive governance and human rights protections.

Table of Contents

APPENDICES *(Posted with NOFO)*

APPENDIX 1— Budget Sample Template and Budget Narrative Guidance
APPENDIX 2— Logic Model Template
APPENDIX 3— Application Guidance

I. FUNDING OPPORTUNITY DESCRIPTION

A. PROBLEM STATEMENT

The micro, small and medium-scale enterprise finance sector in Tunisia has changed substantially— beginning with the introduction of a new microfinance law in 2011, which opened up the market to new entrants— and the Tunisian government has continued to build on this progress through the newly-passed Start-Up Act in 2018. Tunisia has a number of policies, mechanisms and institutions to support enterprise creation and growth, and a more developed policy framework for small, and medium-sized enterprises (SMEs) than that of other North African and Levant economies, according to a recent SME policy assessment.[1] Private equity and venture capital markets are underdeveloped. The Tunisian lending market accounts for less than ten percent of the financial sector, but is increasingly important for external financing of fixed asset investments of small- and medium- enterprises (SMEs).[2] According to 2015 European Investment Bank report, banks limit SME business to only a subset of well-established SMEs which are able to bring in substantial collateral. Other SMEs, which have limited equity and funds, are mostly excluded. The banks' current liquidity situation encourages lending only to those clients perceived as less risky and which offer real assets as securities. Access to finance is one of the main impediments to the business environment in Tunisia, and this is particularly true for SMEs.

One quarter (25 percent) of Tunisian SMEs consider access to finance a major or very severe obstacle to the operation of their business. Overly-complex application procedures and high collateral requirements discourage many SMEs from applying for a loan (39 percent).[3] Further, banks do not serve the SME segment adequately, and young and innovative SMEs have difficulty obtaining external financing sources even if their business model is sound.[4] Women's entrepreneurship is particularly low, with an activity rate of 2.9 percent versus 6.8 percent for men.[5] Further, only 2 percent of people aged 18 to 24 were involved in creating a business in 2012.[6]

Despite the recent creation of financial loan structures dedicated to innovative projects (private incubators and pre-seed funds, in particular), Tunisia lacks financing mechanisms available to support early-stage businesses (from the design stage) and support of the development of innovative projects (mature stage). The Tunisian Ministry of Employment and Vocational Training concluded recently that projects that fall within the framework of the social economy are generally not able to access financing.

According to a 2014 International Finance Corporation report, SMEs in Tunisia account for

[1] OECD, European Commission and European Training Foundation (2014), SME Policy Index: The Mediterranean Middle East and North Africa 2014, Implementation of the Small Business Act for Europe, OECD Publishing, Paris.
[2] European Investment Bank, "Neighborhood SME Financing: Tunisia", October 2015
[3] European Investment Bank, "Neighborhood SME Financing: Tunisia", October 2015
[4] European Investment Bank, "Neighborhood SME Financing: Tunisia", October 2015
[5] Global Entrepreneurship Monitor (2014), Adult Population Survey 2014
[6] Belkacem, L. and F. Mansouri (2013), 2012 GEM Tunisia: National Report

about forty percent of GDP and for fifty-six percent of employment.[7] The latest available figures from the Tunisian National Institute of Statistics (INS) found that the majority of SMEs in Tunisia (seventy-six percent) employ one to five people. Only 2.2 percent of firms have 100 employees or more, but these firms account for over fifty percent of all employment in private enterprises in the country.

Because of these intertwined supply- and demand-side challenges, the current demand for financing from SMEs outstrips the supply in Tunisia. The demand for investment loans has decreased over the past two years, and SMEs mainly demand working capital loans. Banks have tried to expand their SME business, but mainly only lend to a subset of well-established SMEs that are able to bring in substantial collateral. Other SMEs, which have limited equity and funds, remain mostly excluded.[8] The main products banks offer to SME clients are classical loans for investment and working capital purposes.[9]

B. ACHIEVABLE OBJECTIVES

To address the supply-side challenges of Tunisia's SME ecosystem, this NOFO solicits applications to work with non-traditional lenders and investors and/or small regional banks to spur SME lending through new financial products and services, in addition to working with business support organizations to assist members through business advisory services including financial management, how to apply for financing, and understanding the suitability of various financial products and services. A successful applicant will design a project to serve SMEs with three to forty-nine (3-49) employees, and with at least one quarter of end-users being women- or youth- led businesses.

A successful project will result in the completion of the following outcomes to address the supply-side challenges in SME’s access to finance:

1. Business support organizations provide improved services focused on financial management, and serve to bolster SMEs’ awareness and understanding of new or innovative financial products and their potential to meet their unique financing needs.
2. Non-traditional lenders and investors (including angel investors, and/or risk capital/venture capital associations) and/or small regional banks develop and deliver diversified, innovative financial products and services that meet the needs of SMEs.

C. PROJECT DESIGN

Funds are available to improve access to finance for small- and medium- enterprises by addressing supply-side constraints to growth in the SME sector.

Project activities **shall** include**:**

1. Encouraging non-traditional financial service providers to develop and deliver new and innovative financial products and services, including application procedures, tailored to SME needs, particularly for female- and youth-owned businesses.

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[7] IFC (2014), Market Assessment of the Financial Needs of Very Small, Small and Medium Enterprises in Tunisia.
[8] European Investment Bank Survey of Enterprise Lending (2015)
[9] European Investment Bank, “Neighborhood SME Financing: Tunisia”, October 2015

2. Providing guidance to business support organizations currently engaged in serving SMEs on introducing new innovative business development services and accessing financial products and services.
3. Linking organizations and businesses to other existing SME support mechanisms in Tunisia to encourage wide use of the financial services or products developed as a part of this project.

Project beneficiaries **shall** include:

1. Established business support organizations that serve high-growth, private-sector, small to medium enterprises (SMEs) that have three to forty-nine (3-49) employees with at least one quarter (25 percent) focused on women- and youth-owned SMEs. Successful applicants will include a justification for the BSOs selected to be a part of this project.
2. Public- and/or private-sector lenders, including non-traditional lenders or investors and/or small regional banks. Successful applicants will include a justification for the number and variety of financial institutions included in the project.

All projects supported as a result of this NOFO **shall not** duplicate ongoing or planned work in Tunisia, and **shall** demonstrate that their efforts are working in conjunction with other Tunisian and international donor programs to solve the complex challenges facing the SME sector in Tunisia.

- Among others, the European Union is active in Tunisia through its budget and support programs and the implementation of two major programs for the modernization of the industrial sector, in addition to technical assistance and financial support provided to SMEs through the European Bank for Reconstruction and Development.
- The African Development Bank is the second-largest international financial institution active in Tunisia and manages approximately 25 active programs.
- Agence Francaise de Development is also present and has a number of public and private programs focused on technical assistance and SME development.
- The United Nations Industrial Development Organization (UNIDO) supports Tunisian SMEs by promoting entrepreneurship in the regions, focusing on a limited number of sectors and improving supply chains for existing businesses.
- The U.S. government, through the Department of State and United States Agency for International Development, has invested in the macroeconomic growth of Tunisia since 2011, partially through business advisory services and firm-led growth.
- A project(s) resulting from this NOFO **shall** also coordinate its activities closely with the Ministry of Industry and SMEs, as well as other relevant Ministries and government agencies such as the Ministry of Finance and the Central Bank.

D. DEFINITIONS

The following are definitions of key terms accepted under this announcement:

Business Support Organizations (BSOs): BSOs are existing public or private organizations that offer services including, but not limited to, training, non-financial resources, advocacy, networking, etc., to businesses and entrepreneurs. Examples of BSOs can include chambers of commerce, employers' federations, trade associations, and private enterprise-oriented research groups. Some specific Tunisian examples of BSOs include the Chambers of Commerce, trade associations, Tunisian Union of Industry, Trade and Handicrafts (UTICA), and Institut Arabe des Chefs d'Enterprises (IACE).

Small- and Medium- Enterprises (SMEs): This NOFO targets small- and medium- enterprises that employ between 3 and 49 employees.

Youth: This NOFO considers youth in Tunisia to be individuals between the ages of 15 and 35.

II. MEASUREMENT OF RESULTS

Applicants must provide a logic model to demonstrate how the proposed project (including activities, the project design, and the surrounding context) will achieve the stated objectives. The logic model statements can be generated using the template in *Appendix 2*.

Successful applicants will work with the NEA/AC and Embassy Tunis program and monitoring and evaluation (M&E) teams to create a plan based on the proposed logic model to measure qualitative and quantitative indicators as part of the award negotiation process. Successful applicant(s) will be responsible for collecting data against these indicators, which will be monitored throughout the period of performance of the award to gauge necessary modifications to the project's design, and assess the results of the project's success in meeting expected outcomes.

III. AWARD INFORMATION

Funding Mechanism Type:	**Cooperative Agreement**
Estimated Number of Awards:	**1 award**
Estimated Initial Project Funding:	**$1,200,000**
Estimated Initial Award Ceiling:	**$1,200,000**
Estimated Initial Award Floor:	**$1,000,000**
Cost-Sharing or Matching: Required	**Recommended, Not**
Estimated Length of Initial Project Period:	**18 Months**

Contingent on the availability of funds, approximately $1,200,000 in Economic Support Funds for approximately one (1) award will be award through this announcement. If selected to receive an award, an applicant will be awarded funds for up to 18 months. The estimated start date for this project is October 15, 2018. NEA/AC and Embassy Tunis reserve the right to award more or less than the estimated program funding, and to award funding under this announcement for a period of up to two years after the announcement's close date.

This request for full applications **does not** constitute an award or commitment on the part of the U.S. government to make any awards, nor does it commit the U.S. government to pay for costs incurred in the preparation and submission of an application.

Competing Continuation:
Requests for funding to extend beyond the initial budget period will be entertained on the basis of a competing continuation award. NEA/AC will review each grantee's progress in meeting grant requirements, including timely submission of required reports, and compliance with all terms and conditions of the award; timely submission of a request for additional funding; the availability of funds; and that continued funding would be in the best interest of the Department of State and in line with U.S. foreign policy goals in Tunisia.

IV. SUBSTANTIAL INVOLVEMENT

NEA/AC and Embassy Tunis shall be involved in the program and management performance of this cooperative agreement through consultation and technical collaboration on specified program activities.

NEA/AC and U.S. Embassy responsibilities

- Approval of the selected lenders, investors, and/or small regional banks included in the project.
- Approval of the business support organizations that will be a part of this project.
- Approval of the selection criteria of beneficiaries.

V. ELIGIBILITY INFORMATION.

Eligible applicants include U.S. or foreign:

- Non-profit organizations;
- For-profit organizations;
- Private institutions of higher education;
- Public or state institutions of higher education;
- Public international organizations;
- Small businesses with functional and regional experience in the areas of: support to small businesses and access to finance in Tunisia.

NEA/AC and Embassy Tunis strongly encourage applications from organizations headquartered in the Middle East and North Africa region. International non-governmental organizations with principal bases of operations outside the Middle East and North Africa are also encouraged to apply, but the percentage of total budget actually spent in the region through local partners will be among the elements of evaluation for this competition.

NEA/AC and Embassy Tunis are committed to an anti-discrimination policy in all of its programs and activities. NEA/AC and Embassy Tunis welcome applications irrespective of an applicants' race, ethnicity, color, creed, national origin, gender, sexual orientation, or disability.

We encourage applications from organizations working with underserved communities, including women, people with disabilities, and youth.

A.1. Prime Applicant
To be considered for funding under this opportunity, applicants MUST:

- Have demonstrable previous experience working in the MENA region. This should be addressed within the project narrative section of your application.
- Meet ALL of the registration requirements listed below.
- Meet any requirements listed as MANDATORY below.
- Have existing partnerships with business support organizations, financial service providers, SMEs, and relevant government ministries and agencies in Tunisia.

A.2. Local Partners
Applicants are strongly encouraged to submit projects that include partnerships with local organizations that will be a part of this project, either through a formal business relationship or a partner in implementation of activities. In particular, NEA/AC and Embassy Tunis strongly encourage applicants not based in the MENA region to partner with local organizations.

REGISTRATION REQUIREMENTS
To apply for this funding opportunity, organizations, whether based in or outside the U.S., must have a Unique Entity Identifier (UEI) number, currently referred to as a DUNS number, and an active account with the System for Award Management (SAM). Applicants who do not meet all registration requirements are not eligible for funding under the opportunity.

UEI Number
The UEI number is a nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. **All applicants and sub-award partners must have a UEI number.**

To obtain a UEI number, please follow the steps below:

- Go to http://fedgov.dnb.com/webform/pages/CCRSearch.jsp.
- Select the country or territory where your organization is physically located.
- Complete and submit the form.

Organizations will need to provide basic information, including physical and mailing addresses, name and title of the chief executive, primary Standard Industrial Code (SIC), and annual revenue.

For technical difficulties in obtaining this number, please contact D&B at: govt@dnb.com.

System for Award Management (SAM)
SAM is a U.S. government-wide registry of vendors doing business with the Federal government and requires annual renewal. The system centralizes information about grant applicants/recipients, and provides a central location for grant applicants/recipients to change organizational information.

Further, applicants must maintain an active account with current information while its application is under consideration for funding. To keep an active SAM.gov account, applicants must renew it at least once each year. If an organizations account expires, the organization cannot submit a grant application until it is renewed.

To create a new account, please follow the steps below:

- Go to http://www.sam.gov.
- Select *Create User Account*, and then select *Create an Account* on the left-hand side of the screen under *Individual Account Details.*

Organizations must have a UEI number and a CAGE number (US Domestic Organizations) or a NCAGE number (Foreign Organizations), to create an account.

Complete and submit the online form. If the applying organization already has the necessary information on hand (see the SAM User Guide), the online form takes approximately one hour to complete, depending upon the size and complexity of the applying entity. Because of the different steps in the process, it often takes from **three to fourteen business days** to complete the process of creating an account with the system.

For help with SAM.gov, please visit their support page at https://www.fsd.gov or contact them at: +1 334-206-7828.

ADDITIONAL ELIGIBILITY CONSIDERATIONS

C.1. Cost-Sharing or Matching
There is no minimum or maximum percentage required for this competition. However, NEA/AC and Embassy Tunis encourage applicants to provide maximum levels of cost sharing and funding in support of its programs. Cost-sharing or matching **is not** an evaluation criteria of this NOFO.

All cost share or matching must be included in detail in the line item budget and noted in the budget narrative. When cost sharing is offered, it is understood and agreed that the applicant must provide the amount of cost sharing as stipulated in its proposal and later included in an approved agreement. Cost sharing may be in the form of allowable direct or indirect costs. For accountability, recipients must maintain written records to support all costs that are claimed as their contribution, as well as costs to be paid by the Federal government. Such records are subject to audit. The basis for determining the value of cash and in-kind contributions must be in accordance with OMB 2 CFR 200.306 – Cost Sharing and Matching.

VI. APPLICATION AND SUBMISSION INFORMATION

APPLICATION DOCUMENTS
All applications must include the application components detailed below. All application documents must be submitted in English. Applicants may submit only **one (1)** application to this NOFO. Please refer to Section B below for additional submission guidance and requirements.

NOTE: Applications that do not include **all** the required documentation described in Section 1 below will not advance past the Technical Eligibility Review stage. Further, applications that exceed the allowable page limits **will not** be reviewed by the review panel. Applicants **may not** add any materials to an application once it has been submitted and the competition deadline has passed.

A.1. Required Documents

Federal Assistance Application Forms (SF-424, SF424a, and SF-424b):
Applicants must complete all three forms online to be considered for funding. Guidance on how to complete the SF-424 and SF424a is provided in Appendix 3. NOTE: In addition to following all guidance outlines below regarding application materials, applicants are strongly encouraged to review the Application Evaluation Criteria section of this NOFO closely as they prepare their proposal. The Evaluation Criteria section is the rubric by which each application will be scored.

Project Narrative:
The Project Narrative describes the efforts the applicant will undertake to address the priorities and goals of this announcement. It may not exceed **ten (10)** pages. More details on preparing the Project Narrative are provided in *Appendix 3*. Applicants are strong encouraged to review *Appendix 3* before preparing their Project Narrative.

Logic Model:
Applicants shall provide a logic model or theory of change to demonstrate how the proposed project (including activities, the project design, and the surrounding context) will achieve the stated objectives. The logic model or theory of change statements can be generated using the template in **Appendix 2**. **NOTE: Applicants are strongly encouraged to use the same format as found in the sample.** If the applicant does not use the template, the applicant must ensure that their submission includes all elements outlined in the sample. This section **may be no longer than 3 pages.**

Budget & Budget Narrative Submission:
Applicants must provide the following three elements as part of their budget submission:

- Summary Budget
- Detailed Line Item Budget
- Budget Narrative

There is **no page limit** for this section of an application. A sample fillable template can be found in *Appendix 1*. This template includes three tabs:

- The first tab includes written guidance on preparing the Budget Narrative. Applicants are strongly encouraged to create their Budget Narrative in Word and submit as either a Word Doc or PDF file. Please note that the Budget Narrative should include designations of who is considered Key Personnel for this project.
- The second tab includes a template for the Summary Budget. This tab will auto-fill as you complete the Detailed Line Item Budget, which can be found on the third tab.
- The third tab includes the template for the Detailed Line Item Budget as stated above.

NOTE: Applicants are strongly encouraged to use the same format as provided in the template, and to submit summary and detailed line item budgets in Excel form, and the Budget Narrative as either a PDF or Word file. If the applicant does not use the template, the applicant must ensure that their submission includes all elements outlined in the sample. The template, which includes more detailed instruction, can be found in *Appendix 1*. Applicants are strongly encouraged to review *Appendix 1* before preparing their Narrative.

Project Timeline:
Applicants must provide an overall breakdown of the order and timeframe in which all project activities will take place. This item should provide a macro snapshot of what will take place from the beginning to the end of the project. Applicants must ensure that the timeline of activities and events corresponds with details provided in the Project Narrative and Logic Model. This section may not exceed **two (2)** pages.

Security, Risk Mitigation, & Contingency Planning Summary:
This item should provide details regarding the applicant's intended due diligence to assess and mitigate risks, and put in place adequate security measures to ensure the safety and well-being of project staff, participants, and partners, if applicable. This should include specific actions by the applicant to ensure risks are adequately and routinely assessed, and that security measures are commensurate with operational concerns specific to the locale. The applicant should also include a contingency plan that highlights potential challenges and limitations to project implementation in the operating environment and propose contingency plans should program activities be impacted.

Please note that this section should not be limited to physical security and risk but should cover any applicable factors relevant to the given operating environment. This section may not exceed **five (5)** pages.

Letters of Agreement or Letters of Intent: Applicants proposing partner organizations and/or government bodies should include Letters of Intent or Letters of Agreement from each of their proposed partners. This section may not exceed **ten (10)** pages**.**

Job Descriptions / Biographical Information for Key Personnel Positions:
For each position designated as key personnel for this project, applicants **must** provide the following:

1. If the position is already filled: Provide brief biographical information summarizing the person's qualifications, as well as a brief description of the roles or responsibilities pertaining to this project.
   OR
2. If the person to fill a key position has not yet been hired: Provide a brief summary of the job description, which should include a description of the roles and responsibilities pertaining to this project, as well as a description of qualifications of eligible candidates.

NOTE: If an applicant is proposing sub-grant partner(s) as part of their project design, Biological Information for Key Personnel Positions of the sub-grantee **must** also be included. This section of the application may not exceed two **(2)** pages.

Negotiated Indirect Cost Rate Agreement:
NOTE: This item is required only IF applicable. Applicants proposing indirect costs in the Budget greater than the 10% de minimis rate must provide a copy of their Negotiated Indirect Cost Rate Agreement (NICRA). This item will not be counted toward any page limits.

A.2. Optional Documents

Applicants may submit additional documents for consideration with their application. These documents are **not required** and may not exceed **five (5)** pages total. Below are examples of some additional documents an applicant may wish to submit.

1. **Organizational Chart:** The organizational chart outlines the clear lines of responsibility and authority in the applicant organization to include budgeted level of effort listed by each person.

NOTE: Applicants must adhere to all maximum allowed page counts. Applications that exceed any of the allowable page limits will not advance past the Technical Eligibility Review stage.

APPLICATION FORMATTING REQUIREMENTS

The required font is 12-point, Times New Roman. All application documents must be single spaced, with all margins (left, right, top, and bottom) of at least one inch each. Also, applicants should ensure all pages in the application package are numbered consecutively and meet the page limit requirements outlined in Section A.1 and A.2 above. **The Standard Forms 424 (SF-424, SF-424a, and SF-424b) are excluded from the page numbering.**

It is **strongly** recommended that applicants submit grant applications using Microsoft Office. If applicants do not have access to Microsoft Office products, Adobe PDF files may be submitted.

SUBMITTING AN APPLICATION

Applicants **must** submit their application electronically through the Grants.gov **OR** SAMS Domestic website. Both systems require that the applying organization have an account with the system and both require a UEI number and SAM.gov account as detailed above. **It is the responsibility of the applicant to ensure they have an active account and will be able to submit its application. Applicants must select one of these systems to submit their application; do not submit an application through both systems.** NEA/AC and Embassy Tunis are not in a position to grant exceptions to these requirements.

Grants.gov requires that the applying organization have an account with the system, a UEI number, and a SAM.gov account, as detailed in **Part III** above. NEA/AC and Embassy Tunis are not in a position to grant exceptions to these requirements. It is the responsibility of the applicant to ensure they have an active account and will be able to submit its application.

The application process is not complete until the applicant receives notification that its application has been validated and forwarded to the granting agency (NEA/AC). Please allow sufficient time for entering the application into these systems. It is the responsibility of the applicant to monitor its application and ensure that it is successfully received and validated.

C.1. Grants.gov

Grants.gov is a single portal for applicants to find and apply to U.S. government funding opportunities. Creating an account with this system is a five-step process:

1. Obtain a UEI number;
2. Create an account with the System for Award Management
3. Create a profile, including username and password;
4. Obtain Authorized Organization Representative (AOR) authorization; and
5. Track AOR status.

This process can take 10 business days or longer, even if all the steps are completed in a timely manner.

To create an account, go to www.grants.gov and click on the "Register" link, located at the top, right-hand side of the page.

C.2. SAMS Domestic

SAMS Domestic is a comprehensive grants management system that allows applicants to apply for, manage, and report on the use of U.S. government funds for multiple programs, accessed online at http://mygrants.service-now.com.

To create an account, go to http://mygrants.service-now.com, and click the "create an account" hyperlink, located above the user name prompt. Users will be directed to a page entitled "User Registration Request;" complete the online form and click the "Submit" button. Users will receive an activation email entitled "Verify Your Grants Account Registration;" click the activation link within the email to receive a username and password.

SAMS Domestic has Quick Tours available to educate users about the system. These documents can be found on the Support tab upon logging into the system.

SUBMISSION DATES AND TIMES

Applications must be time stamped before 17:00:00 eastern daylight time (EDT) on July 19, 2018. There will be no grace period, and any application not received by the application deadline will be deemed ineligible and will not advance to be reviewed. Applicants are encouraged to submit an application far enough in advance of the deadline so it can alert NEA/AC (nea-grants@state.gov) of any technical difficulties and allow sufficient time to resolve difficulties before the deadline. Although NEA/AC will work with applicants to resolve technical issues, it is not in a position to grant exceptions to the submission requirements outlined in this announcement.

VII. FUNDING LIMITATIONS, RESTRICTIONS, AND OTHER CONSIDERATIONS

1. Awards to Commercial Firms or For-Profit Organizations

The Department of State prohibits profit under its assistance awards to commercial organizations. No funds will be paid as profit to any recipient that is a commercial organization. Profit is defined as any amount in excess of allowable direct and indirect costs. The allowability of costs incurred by commercial organizations is determined in accordance with the provisions of the Federal Acquisition Regulation (FAR) at 48 CFR Part 31. Program income earned by the recipient may be:

- added to the total of the amount of this award, including the cost sharing or matching, and use it to further eligible project objectives;
- used to meet the Recipient's cost sharing or matching requirement;
- OR deducted from the total project or program allowable cost in determining the net allowable costs on which the federal share of costs is based.

2. Audit Requirements

Domestic and foreign organizations that expend $750,000 or more in a fiscal year in federal assistance must perform an independent, recipient-contracted Single Audit or Program Specific Audit. [*Program-specific Audit* refers to an audit of one Federal award program. *Single Audit* refers to an audit that includes both the entity's financial statements and the Federal Awards to be conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS)]. The audits must be independently and professionally executed in accordance with GAGAS either prescribed by a government's Supreme Audit Institution with auditing standards approved by the Comptroller General of the United States, or the host country's laws or adopted by the host country's public accountants or associations of public accountants, together with generally accepted international auditing standards. However, foreign entity audits consistent with International Standards for Auditing or other auditing standards are acceptable with the Grants Officer's approval. More information can be found at http://gao.gov/assets/590/587281.pdf.

For sub-non-Federal entities expending $750,000 or more in Department of State award funding during their fiscal year, Department of State standard audit provisions require that Prime non-Federal entities certify that audits of sub-non-Federal entities are performed annually and according to the standards described above. The cost of audits required under this policy may be charged either as an allowable direct cost to the award, OR included in the organizations established indirect costs in the award's detailed budget.

3. Compliance with Applicable Federal Funding Regulations and DOS Terms and Conditions

Payment of funds awarded under this Notice of Funding Opportunity will not be disbursed until the DOS has been assured that the Recipient's financial management system will provide effective control over and accountability for all Federal funds in accordance with 2 CFR 200 and

2 CFR 600 as applicable. Awards issued under this NOFO are subject to the Department of State Standard Terms and Conditions and 2 CFR 200 and 2 CFR 600 as applicable.

VIII. APPLICATION REVIEW AND SELECTION PROCESS

A. ACHIEVABLE OBJECTIVES (30 POINTS)

Each of the project objectives listed above (in Section I) are clearly addressed.

- Impact and Effectiveness: The applicant describes the project's potential contribution to solving the problem addressed in the problem statement and achieving results.
- Timeframe: The applicant describes realistic results to be accomplished within the timeframe of the proposed award.
- Beneficiaries: The applicant clearly identifies the anticipated beneficiaries and explains how the project's objectives will positively affect them. The applicant explains how they will reach a maximum number of beneficiaries and includes strategies to work with businesses support organizations that will target of at least 25% women- or youth- led beneficiaries. The applicant provides a justification for the number and variety of financial service providers (non-traditional lenders and investors, and/or small regional banks) included in the project.
- Milestones: The applicant provides realistic milestones to indicate progress toward goals and objectives as described in the program announcement.
- M&E: The applicant explains how monitoring and evaluation activities will be carried out throughout the award's period of performance and who will be responsible for them.

Project Design (40 points)

The applicant clearly describes how each proposed project activity will address each of the objectives outlined in the requested priority area above (Section I).

- Responsiveness to NOFO: The applicant explains how the proposed activities respond to the objectives listed in the NOFO.
- Rationale: The applicant justifies how the proposed activities will achieve the above objectives in this context.
- Project Management: The applicant provides a clear description of how the project will be managed in terms of initiation, planning, implementation, and closing.
- Partnerships and Buy-ins: The applicant addresses how the project will engage or obtain support from relevant stakeholders and identifies local partners.
- Feasibility: The applicant proposes activities that are feasible, and are also practical, and/or experiential in nature to encourage innovation.
- Beneficiaries Selection Criteria and Process: The applicant explains how participants will be selected (e.g., criteria for selection, selection process).
- Duplication: The applicant acknowledges if activities similar to those proposed are already taking or have taken place previously, and provides an explanation as to how proposed new activities will not duplicate or merely add to existing/recent activities.
- Contingency Plan: The applicant articulates programming assumptions and potential challenges to project implementation and proposes contingency plans.

- Division of Labor: The application describes the division of labor among the applicant and any partners.
- Marginalized Populations: The applicant identifies and addresses support for female and youth business-owners in all proposed activities and objectives and provides specific means for their inclusion.
- Program Logic: The program logic is theoretically sound, and all elements of the logic model fit together to show plausible pathways to achieving project outcomes. All key assumptions have been identified and their potential influences described. All risks to implementation (external factors) have been fully accounted for and described in detail.

Organizational Capacity (20 points)

- The applicant demonstrates experience (e.g., has previously worked and/or has established contacts/partners) in the proposed country/territory/region.
- The applicant demonstrates an institutional record of successful programs in support to small businesses and access to finance.
- The applicant demonstrates capacity for responsible fiscal management of donor funding (e.g., successful management of a previous sub-award or grant).
- The applicant demonstrates the ability to meet monitoring and evaluation requirements.
- The applicant has adequate staffing and demonstrates the capacity to manage the proposed project.
- The applicant includes letters of intent/commitment/agreement from proposed partners.

Staff and Position Specifications (10 points)

- Pre-identified key staff members, including volunteers, demonstrate experience working in the Tunisia and with participants from that area (e.g., language skills, cultural understanding).
- Descriptions of the role of each person or position on the project (e.g. staff, partners, consultants, and volunteers) demonstrates that the project will be adequately and efficiently staffed, and avoid redundancy or duplication of effort.
- A job description, including hiring criteria, is provided for each open key position.
- Pre-identified key staff members, including volunteers, demonstrate experience and knowledge in the proposed content area.
- Local and/or partner staff have relevant language competencies, and this is noted in the application materials.

Budget & Budget Narrative (Acceptable or Not Acceptable)

- The costs proposed are reasonable in relation to the proposed activities and anticipated results, which are clearly explained in the budget narrative.
- The budget provides details of calculations, including estimation methods, quantities, unit costs, and other similar quantitative detail sufficient for the calculation to be duplicated.
- The preponderance of the budget is spent on supporting the project participants and activities in Tunisia.
- The budget includes costs dedicated to management, monitoring, and evaluation.
- Adequate travel costs are proposed.

- The budget demonstrates a reasonable cost per participant.
- The budget accounts for monitoring and evaluation costs.

B. APPLICATION REVIEW PROCESS

NEA/AC and Embassy Tunis are committed to ensuring a competitive and standardized process for awarding funding. Applications will be screened initially in a Technical Eligibility Review stage to determine whether applicants meet the eligibility requirements outlined in Part V and have submitted all required documents outlined in Part VI. Applications that do not meet these requirements will not advance beyond the Technical Eligibility Review stage and will be deemed ineligible for funding under this NOFO.

NEA/AC and Embassy Tunis reserve the right to have all applications deemed to be eligible undergo a Subject Matter Expert (SME) review prior to the Merit Review Panel. Applications that do not pass SME review will not proceed to the Merit Review Panel.

All applications that proceed to the Merit Review Panel will be evaluated by U.S. government and non-governmental subject matter and/or country-specific experts and will be rated on a 100-point scale. Point values for individual elements of the application are presented in Part VII, Section A. Panel Reviewers' ratings, and any resulting recommendations, are advisory.

Final award decisions will be influenced by whether the application meets NEA/AC's programmatic goals and objectives, how it supports the Department's overarching foreign policy priorities, and the geographic distribution of the top-ranking applications.

IX. ADMINSTRATION INFORMATION

A. AWARD NOTICES

Applicants who do not advance beyond the Technical Eligibility Review stage will be notified **30 business days** after the closing of the announcement. The authorized representative and program point of contact listed on the SF-424 will receive the notification via email. If an applicant does not receive such a notification, their submission was put forward for review.

NEA/AC and Embassy Tunis expect to notify applicants who proceeded past the Technical Eligibility Review stage about the status of their application by **September 1, 2018.** Final awards cannot be made until funds have been appropriated by Congress, allocated and committed through internal bureau procedures. Successful applicants will receive a Federal Assistance Award (FAA) from the bureau's Grants Office. The FAA and the original proposal with subsequent modifications (if applicable) must be the only binding authorizing document between the recipient and the U.S. Government. The FAA will be signed by an authorized Grants Officer, and transmitted to the recipient's responsible officer identified in the application. NEA/AC and Embassy Tunis reserve the right to award funding to applicants under this announcement for a period of up to two years after the announcement's close date.

REPORTING REQUIREMENTS

Reporting is critical to effective program management and oversight. Reports are required as a means of evaluating the recipient's progress and utilization of resources. They are divided between a performance progress report and a financial status report.

Recipients will, at a minimum, be required to submit Quarterly Performance Reports (QPR) and a Quarterly Financial Report (QFR). The QPRs will compare actual to planned performance and indicates the progress made in accomplishing each assistance award tasks/goals noted in the grant agreement and will contain analysis and summary of findings, both quantitative and qualitative, for key indicators. The QFRs provide a means of monitoring expenditures and comparing costs incurred with progress.

Recipients must report ***immediately*** when a program faces unplanned delays in implementation, fails to meet program targets or milestones, or costs increase. Any changes or revisions to the approved budget require prior approval from the NEA/AC Grants Officer.

Recipients are required to report program and beneficiary achievements on a quarterly basis (or provide written confirmation that there is no related news for the given quarter) beginning with second quarter's program report.

Grantees awarded under this announcement will be **required** to make all materials produced under the award with the standard U.S. flag in a size and prominence equal to (or greater than) any other logo or identity. Materials are defined as but not limited to: training materials, materials for recipients, or materials to communicate or promote with foreign audiences a program, event, project, or some other activity under this award, including but not limited to invitations to events, press materials, event backdrops, podium signs, etc. In addition, sub-recipients or sub-awardees are subject to the marking requirements and the grantee must include a provision in the sub-recipient or sub-awardee's agreement indicating that the standard, rectangular U.S. flag is a requirement. Exceptions to this requirement can be discussed with NEA/AC and Embassy Tunis when negotiating an award.

X. AGENCY CONTACTS

For questions regarding this funding opportunity including: completing an application, financial and grants management issues, or technical matters, contact:

Katelyn Smith
NEA/AC
NEA-Grants@state.gov

All questions and a confirmation of Intent to Apply must be submitted in writing to nea-grants@state.gov by **June 22, 2018** at 17:00:00 eastern daylight time (EDT). NEA/AC will create a document of the submitted questions along with the answers and post it on SAMS Domestic and Grants.gov. Questions submitted after the deadline will not be addressed.

The intent to apply is a notification to the Bureau of Near East Affairs Office of Assistance Coordination via email expressing the intent to submit a proposal under this announcement. The notification does not require any specific format or template, and unless specifically indicated, the notification is **not mandatory**. The intent to apply is optional and will not be binding.

For questions regarding creating an account with or using grants.gov to submit an application, contact the grants.gov Contact Center. The Contact Center is available 24 hours a day, 7 days a week, excluding Federal holidays:

Grants.gov Contact Center
(800) 518-4726
support@Grants.gov

For questions regarding creating an account or using SAMS Domestic to submit an application, contact the ILMS Help Desk. The Help Desk is available 24 hours a day, 7 days a week, excluding Federal holidays. The ILMS Help Desk utilizes a user-facing ticketing interface that allows users to submit and monitor their SAMS Domestic tickets. The ILMS Self Service Portal can be accessed by going to https://afsitsm.service-now.com/ilms/home.

ILMS Help Desk
(888) 313-ILMS (4567)
ILMS Self Service Portal

XI. DISCLAIMER

The terms and conditions published in this NOFO are binding and may not be modified by any Bureau representative. Explanatory information provided by the bureau that contradicts public language will not be binding. Issuance of the NOFO does not constitute an award commitment on the part of the U.S. government. The Bureau reserves the right to reduce, revise, or increase proposal budgets in accordance with the needs of the program and the availability of funds. Awards made will be subject to periodic reporting and evaluation requirements listed in this NOFO.