Responses to FY2020 Food for Progress NOFO Questions

Questions Received May 28 – June 3, 2020

1. Considering the current international market conditions for vanilla, it appears that the market is headed for a downturn similar to the one in 2004. Given these market conditions, would USDA consider proposals that focus on other spices (in addition to vanilla) to mitigate the volatility?
   A: Yes, USDA encourages this approach as it falls within Component 1: Sustainably Increase Productivity While Managing Risk.

2. On page 10 of the NOFO, it is stated that the estimated funding per award is $15-35mn, but for Uganda & DR the estimated project budgets listed on pages 51 & 55 is $13mn. Would USDA clarify if the estimated funding per award on page 10 is correct at a floor of $15mn or should the range be $13-35mn?
   A: The range should be $13-$35 million and the Uganda and the DR estimated project budgets listed on page 51 & 55 is correct at $13 million.

3. On page 44 of the NOFO it's stated "The proposal will utilize USAID's BITBEE assessments to identify areas of duplication and faults in business processes, including, but not limited to, assessing how customs duties are performed, identifying all trade related regulations and where they overlap, and how to address the issue of staff rotation." Will USDA provide these assessments, or will these only be provided in a final design stage after award?
   A: USDA expects proposals to include either applicants own analysis or references to studies conducted by other institutions or organizations (i.e. USAID and World Bank Group). We expect the winning applicant to work with USAID to coordinate efforts during the early stages of implementation and the initial baseline evaluation, using the USAID's BITBEE assessments.

4. Where would I find a guideline document that describes the expectations regarding the Post Monetization Assessment? How long has this requirement been in place for FFPr programs? I understand that the total M&E budget minimum is a minimum of 3% and 5-10% for full impact evaluations, however, can you give a range or budgetary estimate based on prior programs for the cost of a Post Monetization Assessment.

   A: The Post-monetization study requirement has been in place since 2017, when the U.S. Government Accountability Office issued the following report. Expectations for the post-monetization studies can generally be found within the GAO document. However, in accordance with the Food for Progress Act of 1985 (as amended in 2018), USDA wishes that these studies be designed to identify the following that could result from monetization:
   - *(7 U.S. Code § 1736o.(i)) displacement of any sales of United States commodities that would otherwise be made to such countries;*

- *(7 U.S. Code § 1733(b)) disruptive impact on the farmers or the local economy of the recipient country; and*
- *(7 U.S. Code § 1773(a)) (1) adequate storage facilities are available in the recipient country at the time of exportation of the commodity to prevent the spoilage or waste of the commodity, and (2) the distribution of the commodity in the recipient country will not result in a substantial disincentive to domestic production in that country."*

Specific budgetary estimates provided to USDA by applicants and current implementers contains proprietary information. We encourage applicants to reach out to qualified research service providers to obtain cost estimates for studies meeting the above requirements.

5. Page 15, Sub-section b. Required Content and Forms states that the page limitations for the Budget is 26 pages in total (Budget Summary – 1 page and Budget Narrative – 25 pages). However, page 27, Sub-section vi. Budget states that the page limit is 21 pages for the Budget (Budget Summary – 1 page and Budget Narrative – 20 pages).

a. Would USDA please clarify whether the budget limit is 21 pages or 26 pages in total?

A: The Budget is 26 pages in total (Budget Summary – 1 page and Budget Narrative – 25 pages)

6. Page 14, Section 3, Sub-section a. Application Format states, "*Regional program proposals are granted an additional three pages per section*".

a. Would USDA please confirm that the additional three pages per section for regional proposals apply to the Budget as well?

A: Correct. Regional program proposals are granted an additional three pages for the budget narrative.

7. Page 19, Section III, Past Performance Review paragraph states, "*Past Performance Reviews (submitted as a separate attachment with no page limit restrictions) Applicants should identify references for no more than three grants, cooperative agreements, or contracts implemented by the organization."* In the paragraph below the NOFO states, *"If a proposed subrecipient will receive 30% or more of the proposed operating budget for the project, one reference must submit a Past Performance Review for the subrecipient."*

a. Would USDA please confirm if this would be an additional reference to the three required to be submitted by the prime recipient, i.e. four references in total?

A: Yes, any Past Performance Review for a proposed subrecipient is in addition to the 3 required for the prime applicant.

8. Page 18, Section III, Organizational Capacity and Staffing states, *"The DUNS number for each subrecipient must be included in the description."*

a. Would USDA please allow the DUNS number for each subrecipient to be included on an application cover page and in each subrecipient's budget narrative?

A: The DUNS number for each subrecipient must be provided within the Organizational Capacity and Staffing section of the application. The applicant may choose to provide the DUNS numbers for subrecipients in additional places within the application.

9. Page 19, Section, Past Performance Review paragraph states, *"Each reference should complete a Past Performance Review form (see Appendix F) and submit it to ppded@usda.gov by the closing date of this announcement."*

a. Would USDA please allow applicants to submit the Past Performance Review Forms as part of the technical application as one of the attachments?

*A: No, an applicant should complete part 1 of the Past Performance Review form then send it to their reference to complete parts 2 and 3. The **reference** should then submit the fully completed reference form to PPDED@usda.gov.*

10. Page 23, paragraphs about Mid-Term Evaluation and Final Evaluation provide the details what each evaluation should focus on.

a. Would USDA please confirm if the Mid-Term and Final evaluations should be conducted by a third party that the implementing partner procures under the proposal budget, or if USDA procures them independently, which is not included in the proposal budget?

A: The Mid-Term and Final evaluations should be conducted by a third party that the implementing partner procures under the proposal budget.

11. Page 28, Section d. Food Aid Information System (FAIS) lists "Other Details" to be entered into FAIS as well as to reference in the Application.

a. Would USDA please clarify the place in the Application outline for this section?

A: The "Other Details" tab in FAIS does not exactly correspond to a specific section of the application as provided in Content Guidance section of the NOFO. Applicants may respond "N/A" as needed in the textboxes found in the "Other Details" tab.

12. Page 46, the Colombia Cacao country description provides the guidance for the program to focus on improving the livelihoods of Colombian cacao producers through their diversification into complementary value chains and crops.

a. Would USDA please clarify if increasing cacao production and value addition is also an objective of the project?

A: USDA encourages applicants to propose strategies that focus on improving incomes through an integrated approach to cacao farming. This can include increased value addition to cacao and related products. Applicants may propose activities that increase cacao production and should provide evidence on how these activities will result into improved incomes, using a demand market-based approach. USDA strongly encourages applicants to propose strategies and activities that integrate already-existing cacao-production projects into the overall program, especially USDA Cacao for Peace programming.

Modification: USDA encourages applicants to propose strategies that focus on improving incomes through an integrated approach to cacao farming; however, please note that the primary focus is diversification of cocoa farmer livelihoods. This can include increased value addition to cacao and related products. Applicants may propose activities that increase cacao production and should provide evidence on how these activities will result into improved incomes, using a demand market-based approach. USDA strongly encourages applicants to propose strategies and activities that integrate already-existing cacao-production projects into the overall program, especially USDA Cacao for Peace programming.

b. Would USDA please clarify if increasing cacao exports from Colombia to the USA and other destinations is also a project objective?

A: Increasing agricultural trade is one of the two primary goals of the Food for Progress program, and USDA encourages all proposals to demonstrate that activities can increase trade, including exports to the U.S.

c. Would USDA please clarify if reduction of high cadmium content in Colombian cacao is also the project objective?

A: Cadmium reduction work is one of the focus areas of USDA's Cacao for Peace program and Government of Colombia efforts in improving cacao quality. USDA encourages applicants to integrate proposed activities with already-existing programming.

Modification: Cadmium is not outlined as an objective in the country guidance.

d. Would USDA please clarify the environmental objectives of the project in terms of regenerative timber production, sustainable landscape management and management of agrobiodiversity?

A: USDA seeks proposals that offer effective strategies to balance sustainability goals, including environmental goals in its program design. The Country Guidance included references to a range of farm management practices and their potential to yield positive environmental outcomes. Applicants should provide evidence when proposing interventions, and include the assumptions used to design the economic and environmentally sustainable strategies.

e. Would USDA please clarify if the NOFO considers fine flavor cacao and cacao byproducts to be complementary crops to cacao production?

A: For the NOFO, USDA considers fine flavor cacao, cacao byproducts, and improving cacao quality, not complementary crops, but interventions as part of the value addition for cacao farmers with the potential to increase farmers income.,. USDA encourages proposals that demonstrate increased value-added, and therefore beneficiary income, production methods for the cacao value chain.

Modification: USDA considers fine flavor cacao and cacao byproducts as possible

opportunities for income diversification. However, they are not considered complementary crops. USDA encourages proposals to meet income diversification and resilience goals through a mix of the most appropriate diversification strategies.

13. Page 48, Colombia Cacao Component 1 Boosting Market Opportunity for Complementary Crops in Cacao Production Systems paragraph states, "*Proposals should start to build the business case for one or two example opportunities of complementary crops – subsequent market studies, value chain analyses, adoption studies, etc., will help identify additional diversification opportunities during the early phases of project implementation.*" Moreover, page 48, Component 2 Financial Support for Growth of Complementary Value Chains paragraph states, *"The project will fund market research studies for lesser understood niche markets like underutilized crops, fine flavor cacao, cacao byproducts and other complementary crops."*

a. Would USDA please clarify which component should focus on market research/studies to identify complementary crops?

A: USDA does not require applicants to propose activities that are strictly organized in the same way as the components. However, we strongly encourage all applicants to meet the requirements of the country guidance, which includes providing an example of a complementary crop that could be further developed as part of the proposed activities.

14. Page 48, Colombia Cacao Component 1 Boosting Market Opportunity for Complementary Crops in Cacao Production Systems paragraph states, "*Proposals should start to build the business case for <u>one or two example opportunities</u> of complementary crops".* Section c. Content Guidance, pages 17-19 does not clearly state the location of the business case in the proposal.

a. Would USDA please confirm the applicants can include a business case as an annex to the proposal not to be included in a page limitation?

A: The example(s) should be included in the section of the Strategic Analysis and/or Operation Plan of the application.

15. Page 48, Colombia Cacao Component 2 Financial Support for Growth of Complementary Value Chains paragraph states, *"For underinvested complementary crops and value chains, the project will forge university and producer group partnerships that foster enthusiasm and youth expertise around neglected species."* However, page 49, Component 3 Regional Collaboration states, *"Proposed activities will work nationally and regionally with research and industry partners whose expertise is needed to invest in the long-term growth of these complementary crops…. The project will also work with national or international research stations in the region."*

a. Would USDA please clarify whether forging partnerships among industry partners and research institutions/universities is a focus of Component 2 or Component 3?

A: Forging the partnerships is a focus of Component 2. The partnerships forged in Component 2 should support the work in Component 3.

Modification: USDA does not require applicants to propose activities that are strictly organized in the same way as the components. The appropriate partners under each component should be chosen to achieve the goals of the country guidance.

16. Page 48, Colombia Cacao Component 3 Regional Collaboration states, *"The proposal will include a plan to engage partners to build a framework of collaboration that looks forward to collectively lift underutilized complementary crops."* However, page 48, Component 4 Participation in Sector Coordination states, *"The proposal will include a plan to engage Colombian, USG, and U.S. research entities to build a framework for collaboration on improving the commercialization of cacao production systems, cacao byproducts, and complementary crops."*

a. Would USDA please clarify whether *building a framework for collaboration with different stakeholders* is a focus of Component 3 or Component 4?

A: The framework should be built as a product of Component 4, which includes the proposed endowment and the surrounding organization. The endowment should be used to implement requirements under Component 3.

Modification: Collaboration is required throughout the entire project and applicants should use networks wherever appropriate to meet the project objectives.

b. Component 3 and Component 4 are similar in focus and content. Would USDA please clarify how these two components are different from each other?

A: The framework should be built as a product of Component 4, which includes the proposed endowment and the surrounding organization. The endowment should be used to implement requirements under Component 3.

Modification: As long as all the goals are addressed the components can be rearranged as the applicant sees fit.

c. Would USDA please consider merging Component 3 and Component 4 in one?

A: USDA encourages applicants to propose effective methods for meeting multiple project goals with single activities and strategies.

17. On Page 48, Colombia Cacao Component 1 only discusses issues around determining complementary value chains. However, the introduction language for the Colombia program states, *"Activities to support select value chains can intervene at the levels of the value chains where appropriate (production, processing and commercialization). The project may invest in short and long-term objectives, ranging from small scale processing of complementary crops to investments in regenerative timber production, that will provide benefits beyond the project's completion."*

a. Would USDA clarify if the intention for the Colombia program is to provide direct technical support to market actors under Component 1, or is the intent of this

program exclusively for promoting investments in supporting activities that will boost value chains?

A: USDA supports a sustainable value chain approach, where proposals should include the facilitation to and utilization of investments from existing entities within Colombia and other market actors or organizations. If these programs and investments do not exist, applicants may propose to provide direct technical support.

18. Page 49, Colombia Cacao Component 4 Participation in Sector Coordination states, "*To ensure a sustainable phase-out at the end of the project, the project will establish an endowment to plan and fund research, technology validation, and rural extension beyond project implementation.*"

a. Would USDA please clarify if it is expected that applicants use monetization proceeds to seed capital for the endowment?

A: USDA expects applicants to use monetization proceeds to seed the endowment, and we encourage innovative strategies to leverage USDA funds with other donors.

b. Would USDA please clarify the parameters of the anticipated endowment? Is it permitted to consider autonomous public institutions, like an agricultural university, or a trade association that receives designated funding from government taxes or fees as candidates for endowment?

A: USDA encourages innovative strategies to leverage USDA funds with other donors wherever possible. This includes autonomous public institutions, private institutions, or international organizations.

c. Would USDA please clarify what type of institution is expected to manage the endowment fund established under the project, whether it may be a financial institution, local government entity or private sector?

A: USDA expects that the endowment fund will be managed by a board of public and private entities, including trade associations, cooperatives, research institutes, and others relevant to the cacao sector and its complementary crops. We encourage applicants to propose a management structure that best suits the proposed project strategy, with a clear exit strategy for lasting impact.,

d. Would USDA please clarify if a matching requirement is to be incorporated into the criteria for selection of an endowment recipient? Also, could those matching funds derive from public sector sources?

A: USDA encourages innovative strategies to leverage USDA funds with other donors wherever possible.

e. Would USDA please provide guidance on how the endowment fund should be managed in years following project completion to ensure accountability over expenditure of USG funds?

A: We encourage applicants to propose a management structure that best suits the proposed project strategy, with a clear exit and hand over strategy for lasting impact.

19. Page 15, Section b. Required Content and Forms lists SF-424 form to be submitted as part of the proposal.

a. Would USDA please confirm that only SF-424 is required, and that forms SF-424A and SF-424B are not required for the submission?

A: Correct, the SF-424A and SF-424B are not required forms for FFPr applicants. The SF-424A is a required form for McGovern-Dole application package this year but not FFPr.

18. On page 19, the NOFO allows a 6-page limit on the results framework. However, in the details of the two components, there is a 2-page graphical representation of the theory of change, and a 3-page narrative text. Can USDA confirm that the 6th page in the results framework can be used for either component?

A: The narrative text section on p. 20 of the Food for Progress NOFO should say that the suggested length of that section is 4 pages, not 3 pages; this is a typo. But both suggested lengths for both the graphic and the narrative text are suggestions, not requirements. The rationale for suggesting up to 4 pages of narrative text in the Food for Progress NOFO was to provide applicants with enough opportunity to address sustainability and lasting impact in the narrative.

19. Please confirm that the Plan of Operations and Activities should be uploaded into the portal as a separate attachment using file type “Generic”.

A: Correct.

20. Please confirm that the three-page Capacity and Staffing section should be uploaded into the portal as a separate attachment using file type “Generic”.

A: Correct.

21. Please confirm that the one-page organizational chart should be uploaded into the portal as a separate attachment using file type “Generic”.

A: Correct.

22. Please confirm that the in-country registration document should be uploaded into the portal as a separate attachment using file type “Generic”.

A: Correct.

23. Please confirm that project-specific commitment letters should be uploaded into the portal as a separate attachment using file type “Generic”.

A: Correct.

24. Please confirm that budget narratives should be both uploaded as a separate attachment in the Proposal Summary section in the FAIS portal and copy/pasted into the portal in the PVO Budget tab.

A: No. Applicants can choose to either upload the budget narrative as a separate attachment or input the narrative into the Budget Narrative tab in FAIS. That said, FAIS requires data entry into the rich text box in the Budget Narrative tab. If applicants choose to upload the budget narrative as a separate attachment, FAIS requires that some language such as "See Attachment X for Budget Narrative" be input into the rich text box.

25. In the Proposal Summary tab in the FAIS portal, one of the file type options is "AD-3030", but this document is not referenced in the NOFO. Please confirm this is not a required document for this submission.

A: Correct. This is no longer a required document.