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Issuance Date: 6 October 2010
Closing Date: 19 November 2010
Closing Time: 1700 hours local Moscow Time

Subject: Request for Applications No. USAID-Russia-ORD-11-0001-RFA
"North Caucasus Microfinance Support Project"

The United States Government, as represented by the United States Agency for International Development (USAID) Mission in Russia, is seeking applications (proposals for assistance funding) from non-governmental Russian organizations for implementation of the North Caucasus Microfinance Support Project in the Russian Federation. The authority for the RFA is found in the Foreign Assistance Act of 1961, as amended.

This activity will be implemented over the course of the next four years. Implementation should be scheduled to begin in early calendar year 2011. USAID intends to award one (1) Cooperative Agreement providing approximately $4.5-5.5 million in total USAID funding, subject to the availability of funds.

USAID/Russia reserves the right to reduce, revise, or increase the application budget in accordance with the needs of the program and the availability of funds. Award made will be subject to periodic reporting and evaluation requirements and substantial involvement by USAID/Russia. Final authority for assistance awards resides with the USAID/Russia Mission Agreement Officer.

While any type of organization is eligible for the award, it is USAID policy not to award profit under assistance instruments (grants and cooperative agreements). However, all reasonable, allocable, and allowable expenses, both direct and indirect, which are related to the grant program and are in accordance with applicable cost standards may be paid under assistance instruments.

Prospective applicants are advised that the applicant funded under this RFA will be required to comply with Russian laws and regulations. This includes changes to the registration and reporting obligations for Russian NGOs working in Russia (see Russian Federal Law # 18-FZ, "On Introducing Amendments to Certain Legislative Acts of the Russian Federation" dated January 10, 2006). A copy of this law can be found in Federal Registration Service Web site (at http://www.rosregistr.ru) and in Russian Legal databases).

For the purposes of this program, this RFA is being issued and consists of this cover letter and the following:

Section I – Funding Opportunity Description
Section II – Award Information
Section III – Eligibility Information
Section IV – Application and Submission Information
Section V – Application Review Information

The federal grant process is now web-enabled. As of December 19, 2005, grant and cooperative agreement Request for Application (RFA) and Annual Program Statement (APS) announcements, modifications to the announcements, and the corresponding application packages must be posted via Grants.gov on the World Wide Web (www) to allow for electronic submission of applications. This RFA and any future amendments can be downloaded from this website: www.grants.gov. It is the responsibility of the recipient of the application document to ensure that it has been received from www.grants.gov in its entirety. USAID bears no responsibility for data errors resulting from transmission or conversion processes associated with electronic submissions.

If your organization decides to submit an application, it should be received at USAID/Russia by the closing date and time specified by this RFA. To be eligible for award, the applicant must provide all required information in its application, including the requirements found in any attachments to this Grants.gov opportunity. Applicants must submit the full application package by one of the methods indicated in Section IV of this RFA.

Issuance of this RFA does not constitute an award commitment on the part of the Government, nor does it commit the Government to pay for costs incurred in the preparation and submission of an application. In addition, final award of any resultant grant cannot be made until funds have been fully appropriated, allocated, and committed through internal USAID procedures. While it is anticipated that these procedures will be successfully completed, potential applicants are hereby notified of these requirements and conditions for award. Applications are submitted at the risk of the applicant; should circumstances prevent award of a cooperative agreement, all preparation and submission costs are at the applicant's expense.

Any questions or comments concerning this RFA should be submitted in writing to Donella J. Russell, Agreement Officer, **and** Alexander Borzov, A&A Specialist, via internet at drussell@usaid.gov and aborzov@usaid.gov no later than 1700 hours local Moscow Time, October 26, 2010.

Sincerely,

Donella J. Russell

Donella J. Russell
Agreement Officer
USAID/Russia

For the purposes of this RFA, the term "Grant" is synonymous with "Cooperative Agreement"; "Grantee" is synonymous with "Recipient"; and "Grant Officer" is synonymous with "Agreement Officer".

SECTION I - FUNDING OPPORTUNITY DESCRIPTION

A. Title

The United States Agency for International Development (USAID) is seeking applications for a grant to implement a project entitled "North Caucasus Microfinance".

B. Authorizing Legislation

The authority for the Request for Applications (RFA) is found in the Foreign Assistance Act of 1961, as amended.

C. Award Administration

OMB Circulars and the Standard Provisions for Non-U.S. Nongovernmental Recipients will be applicable to the resulting grant. These documents may be accessed through the worldwide website at: http://www.usaid.gov/business/regulations/

E. Program Description Framework

North Caucasus Microfinance Support Project (MFSP) 2011-2014

Purpose

The North Caucasus Microfinance Support Project (MFSP) contributes to the broader USAID/Russia's North Caucasus Assistance Project (NCAP). The NCAP's objective is to increase local capacity to provide economic, governance, civic and healthcare opportunities to reduce the threat of violence in the North Caucasus[1].

The MFSP's objective is to build capacity to deliver microfinance services in targeted geographical regions of the NC and thus increase employment and incomes in the micro/small/medium enterprise sector (MSME) and reduce the threat of violent conflict by providing economic opportunities to those groups most likely drawn into conflict, and will be achieved through (a) improved and expanded microfinance services in the NC republics with increased outreach to larger population groups in the NC republics**,** and (b) improved enabling environment conducive for sustainable development and growth of microfinance in the NC.

Background

[1] Please see the detailed NCAP's Results Framework in Attachment A

Engaging with Russia on key international issues is a top priority both for Russia and the US. USAID's efforts in Russia seek to advance this critical mutual interest and help Russia to become a stable, democratic, and reliable partner in jointly addressing global issues. Tensions and instability in Russia's North Caucasus jeopardize Russia's fulfillment of this desired international role and have dramatic implications for regional stability and Russia's future.

In the broadest sense, the North Caucasus region is herein defined as being the autonomous republics of Dagestan, Chechnya, Ingushetia, North Ossetia-Alania, Kabardino-Balkaria, Karachay-Cherkessia, and Adygeya, plus the Stavropol and Krasnodar krais.

This broad geographic area comprises the whole of Russia's North Caucasus Federal District (NCFD, a district of approximately 23 million persons) and part of the Southern Federal District (SFD) and is one of the most ethnically diverse regions in the world. A crossroads of ideas, trade and religions, it is home to over 36 ethnic/linguistic groups. Most of the population lives in rural areas; many are un- or under-employed, and many Republics survive on transfers from the center, though there is likely a significantly thriving informal economy. The North Caucasus continues to face a number of very complex socio-economic challenges, ranging from deeply entrenched ethnic, religious and clan issues to high rates of poverty, unemployment, displaced populations, and endemic multi-layered corruption. The NC region is poorly integrated into the Russian Federation and governance bodies often lack capacity at all levels.

With 49.5 persons/km^2, the NC has one of the highest population densities of the Russian Federation (less than the Central area of 60.4, but significantly higher than the national average of 8.5). The most ethnically homogenous regions are Chechnya (ninety-four percent Chechens) and Ingushetia (seventy-seven percent Ingush), while Dagestan stands out as the most ethnically heterogeneous region, with 25 percent Avars, 17 percent Dargins, 14 percent Kumyks, and 13 percent Lezgins, in addition to several other ethnic groups that each constitute less than five percent of the republic's population.

The five-year NCAP supported by USAID/Russia will focus on beneficiaries from the republics hardest hit by instability: Dagestan, Chechnya, Ingushetia, Kabardino-Balkaria and North Ossetia-Alania. However, the project will also support activities in the other areas of the NC (Karachay-Cherkessia, Adygeya, Krasnodar, and Stavropol). Although the inhabitants of some of these regions have been much less affected by war and inter-ethnic violence than other regions, there are several compelling reasons for USAID/Russia to support activities in these unstable regions. First, these locations have played a critical role in the past as a meeting place or base of operations for inter-republic programs and as resource centers for civil society, education, media and other critical democratic elements operating on the "local" level. Second, integrating the conflict-prone regions of the NC into the federal district and into Russia more broadly is an important cross-cutting theme of this design; this integration will be more easily accomplished if USAID/Russia does not limit its support to only the four regions of the NC hardest hit by conflict. Third, there is an omnipresent threat of spillover of instability and violent extremism to neighboring regions in the NC. Therefore, through the lens of conflict prevention, the five-year NCAP supported by USAID/Russia will also support appropriate activities in the surrounding regions of the NCFD and SFD.

USAID has supported the development of microfinance facilities and the whole industry in Russia for more than fifteen years, gathering a wide-range of lessons-learned. Most relevant here is its experience working in the Republic of Kabardino-Balkaria (KBR) where it has used a comprehensive approach to spur lending for MSMEs through the establishment of complex of service providers who can meet small business needs, including microfinance institutions such as cooperatives, banks, and government facilities, guarantee facilities, and business service providers. All this has contributed to a better enabling environment for microfinance activities, improving policies and the capacity of people working in the industry. In the past three years, the Russian Microfinance Center (www.rmcenter.ru), the prime implementer of the USAID microfinance development program in the Kabardino-Balkarian Republic, working in close partnership with the government and municipalities of the republic, helped develop the republic's microfinance industry from just two credit cooperatives and three funds for SME support with an overall portfolio of about 10 million rubles (about $300,000) in 2007 to 30 credit-consumer cooperatives operating throughout the republic and 13 municipal funds for SME support operating in every municipal rayon, with a thirty-fold increase in the overall loan portfolio to nearly 300 million rubles ($10 million) in 2010. The program was also instrumental in the formation of the republic's Program for Microfinance Development. This systemic approach resulted in significant leverage of government and private sector resources for the program in 2007-2009 of about 90 million RUR ($3.1 million) of budget resources and about 250 million RUR ($8.6 million) of private investments. The cumulative assets of microfinance institutions were used to support over 2,000 small and micro entrepreneurs, over 200 start-up businesses. Over all, this program helped create over 1,000 jobs and sustain over 2,500 jobs in the small towns and rural settlements of the republic.

In the North Caucasus, a number of other NGOs and international organizations have instituted microfinance programs, though on a smaller scale, e.g. limited to districts or cooperatives. From its experience, USAID believes that a holistic approach, as in its previous work in the KBR, would allow it to achieve the largest impact.

Another key lesson has been the high importance of close coordination and cooperation with the regional and municipal governments. Although such cooperation is an important element of any USAID development program in Russia, it is essential and indispensable in the NC because of the region's tighter security regimes and probability of violence. Regular involvement and consultations with the regional and municipal authorities and their permanent involvement and support are key determinants of success of development programs in the region.

A final lesson of special significance in the NC is that in order for development programs to have a long-term effect and ensure local ownership and institutionalization of the methodologies, skills and knowledge brought by the programs there, the approach needs to be tailored to its unique environment, cultures, and stakeholders, taking into account their values and priorities and building the development in harmony with them. This is especially critical for the development of microfinance, which is linked to the broadest spectrum of all economic and social dynamics there.

Development Challenge

The root causes of violent conflict throughout the North Caucasus span a wide range of grievances. Conflict dynamics have been influenced by Chechen conflict in the 90s and the recent rise of violent militancy. When USAID started programming in 2005 in the NC, the objectives were to support Russian authorities in stabilizing NC and support interventions which prevented the escalation of conflict in other republics. In 2009, USAID conducted a North Caucasus programming assessment to consider future interventions which would assist in developing the region and mitigating a return to deadly conflict. USAID's new approach is less about post-conflict, humanitarian interventions and more about conflict prevention and promoting local ownership and sustainability. Now interventions need to be more holistic, more targeted at the most at-risk, vulnerable populations and better coordinated.

Though rich in natural resources, the North Caucasus is historically one of the poorest regions in the Russian Federation (RF). Per capita GDP and capital investments in the southern republics are less than one-third of the national average and per capita income is almost one-half the national average. The situation varies by republic with republics that recently experienced full-scale war faring the worst. In all the republics, regional and local governments are the largest employers (see attachment B). In rural areas, where nearly half the population lives, agriculture forms the backbone of the economy. In urban areas, in contrast to other regions of the RF, small and medium enterprises have not grown significantly to fill the gap created by the collapse of the previous centrally planned economy.

USAID is focusing a portion of the NC programming on the closer targets of economic development and job creation through agriculture and access to micro financing opportunities. One of the major impediments to employment in the MSME sector is the lack of tools that facilitate business start up and growth. USAID believes that the best approach to increasing employment in the MSME sector is to address constraints in the business enabling environment, and help entrepreneurs with marketing and other business skills, as well as improving their access to finance, particularly in targeted republics of the NC where access to finance has been identified as a key constraint to business growth.

Although there are micro and small enterprises (MSME) in the NC, their growth is insufficient to significantly address the gap created by the collapse of the previous command economy. The MSME development index chart of OPORA characterizes the North Caucasus republics as "depressive", with the lowest development of MSMEs in the country[2]. The share of SME employment is under 6% (compared to the average of 10-12% in Russia). There continues to be a tremendous need for broadening access to MSME training, business development services, and updating business knowhow across all sectors: training and support in business plan development, knowledge in up-to-date accounting, finance and economics, business management and leadership, access to credit and business education. Paramount is the need to work with local authorities to change their attitude toward the private sector and assist in promoting an enabling environment conducive to MSME development. Entrepreneurs are usually unaware of their legal rights and lack the ability to advocate for themselves.

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[2] Conditions and Factors for Development of Small Entrepreneurship in Russian Regions, OPORA ROSSII, Moscow, 2006. (OPORA ROSSII is an All-Russia Public Association of Small and Medium Entrepreneurs **http://www.opora.ru/about**)

The 2009 North Caucasus assessment[3] shows that lack of access to finance is one of the key limiting factors inhibiting MSME development. Specifically, approximately 55 percent of the region's prospective borrowers lack access to finance through banks and thus face high lending rates - up to 9-10 percent per month. Reliance on collateral has directed lending towards borrowers with capital and not necessarily towards those with promising business plans. For example, there is almost no bank lending in Chechnya, though the assessment team was told by the director of a MSME support center in Grozny there would be in two to three years. In Ingushetia, the republican government has provided loans to 78 farmers (out of 300 applicants) recently. The farmers' collateral had to cover 150 percent of the loan value and they had to pay 14 to 15 percent annual interest for terms of 2-8 years. Among the twelve regions of the Southern Federal District, Dagestan has the most lending institutions, and is the fifth most capitalized region. While in the mid-1990s private banks came to monopolize this industry, most of them were swept away by the 1998 default. Today, several dozen small, private banks exist in the republic along with Russia's "Sberbank." The "Concept of Increasing Access to Retail Financial Services in 2008-2012," prepared by the National Association of Microfinance Market Stakeholders of Russia – NAMMS (http://www.mfpa.ru/general/upload/investigation/NAUMIR.pdf) underscores the existing regional imbalance and shortage of microfinance infrastructure (credit cooperatives, funds for small business support, banks focusing on SME lending, and other forms of microfinance organizations) in several Russian regions, including the Caucasus, specifically Ingushetia and Chechnya.

Based on a recent study, estimated maximum overall demand for MSME loans in more economically developed North Ossetia is around $425m-$450m (11,900m - 12,600m RUR), including demand for loans to invest in fixed assets in the maximum amount of 7m – 7.4m RUR, and loans to replenish operating assets in the amount of 4.9b – 5.2b RUR. This is equivalent to the needs of 16,000 – 24,000 potentially active clients willing to invest in fixed assets, and the needs of 15,000 – 36,000 entrepreneurs willing to replenish operating assets.[4] In less economically secure regions, internally displaced persons (IDPs) and poorer households have few opportunities to access credit for an existing or start-up business[5].

The majority of the population still does not have sufficient access to the economic opportunities that benefit the rest of Russia's citizens. Involvement in legal, sustainable income-generating activities would reduce the incentives for involvement in conflict-related activities. Every dollar provided as credit to MSMEs through microfinance generates an average of $2-3 in business growth, creates several new jobs, and creates long-term income and job opportunities for entrepreneurs and their families. Therefore, expanding the outreach of microfinance to remote locations in the NC should result in a substantial improvement in the job opportunities and economic well-being of the population in this region. MSME support through microfinance simultaneously develops business skills and capacities and addresses multiple social issues, providing support to economically disadvantaged populations (such as IDPs), women (historically about 60% of microfinance client entrepreneurs are women), and youths willing to begin start-up businesses.

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[3] Assessment of the North Caucasus: Program Opportunities for USAID, USAID/Russia, March 2009
[4] *Finance in North Ossetia*, European Bank for Reconstruction and Development, September 2008.
[5] World Vision Russian Federation Economic Development Assessment Republics of Ingushetia and Chechnya, August 2005.

MFSP Objectives

Tied to USAID's overarching goal in conflict mitigation

The MFSP contributes to the overall USAID/Russia's North Caucasus approach to reducing the threat of violence by building local capacity leading to economic opportunities. The MFSP will provide employment and income opportunities through enhanced microfinance products to vulnerable, populations and expand economic growth in targeted communities.

The development hypothesis or theory of change for the MFSP is the following: *If USAID builds local capacity to deliver microfinance services in the North Caucasus, economic conditions and vulnerable livelihoods will improve, and the threat of violent conflict will be reduced.*

Expected Project Results and Potential Indicators

Below are both the goals and expected results that USAID strives to achieve in this project. This section also provides a list of mandatory USAID indicators that the applicant should track, an illustrative list of other project indicators that the applicant should propose to adequately measure the project's deliverables and impact, and illustrative interventions. The mechanism of measuring the project's deliverables and impact will be included as part of the Monitoring and Evaluation Plan. The latter should also include a discussion of the availability of baseline data and how it will be collected if necessary.

USAID plans to conduct a mid-term evaluation of the entire North Caucasus Assistance Program.

Overall, the MFSP should contribute to the following Intermediate Result (IR) as depicted in Attachment A:

IR 1: Economic opportunities increased for those groups most likely to be drawn into conflict

More specifically, the MFSP should contribute to the following subsidiary IR in building economic opportunities for vulnerable populations:

Sub-IR1.1 Increased employment in micro, small and medium enterprise sector

The application should propose a plan to monitor program progress in impacting on this subsidiary IR through set indicators: as a means to consolidate results for this subsidiary IR across its work in the North Caucasus, USAID has set the following mandatory indicators of progress for this project:

- Number of jobs created and/or sustained by client MFIs (disaggregated by gender, by republic)
- Percent of lower income beneficiaries (disaggregated by gender and by republic)
- Percent of youth beneficiaries (aged 15-30) (disaggregated by gender and by republic)

- Percent increase in beneficiaries income (disaggregated by gender, republic, and youth)

Specific MFSP goals and lower level subsidiary IRs

The proposed MFSP project should impact on the above subsidiary IR1.1 by alleviating the main constraints on current MSMEs growth, and thereby on employment by MSMEs. That is, the MFSP's goal is to increase sustainable access to finance for MSMEs in the North Caucasus. Increased access to finance will spur economic activity which shall provide income and job opportunities for individuals and their families, thus reducing the incentives for involvement in conflict-related activities. Thus at the most basic level, this project should improve the ability of targeted MSMEs to receive financing in the regions of geographic focus. In order to develop a sustainable and growing access to finance in the NC the following lower level intermediate results need to be achieved:

Sub-IR1.1.1 Improved and expanded microfinance services in the NC republics with increased outreach to larger population groups in the NC republics

To address this lower level IR the applicant will strive to create/expand microfinance institutions of various forms in the NC republics (credit cooperatives of all types, regional and local funds for SME support, banks targeting SMEs, etc.), strengthen their capacities and access to additional financial resources, and integrate them into the national microfinance institutional network.

The mandatory indicators for this IR will be:

- Number of microfinance institutions (MFIs) created and/or expanded by broader outreach and strengthened capacity (disaggregated by republic)
- Number of organizations trained and/or consulted (disaggregated by republic)
- Number of clients in MFIs supported by MFSP (disaggregated by gender and by republic)
- Dollar volume of portfolios in MFIs supported by MFSP (disaggregated by republic)

Other Illustrative indicators may include (but are not limited to):

- Number of end-borrowers (clients of MFIs supported by MFSP) trained and/or consulted on MSME finances (disaggregated by gender and by republic)
- Number of loans made by MFIs supported by MFSP (disaggregated by gender and by republic)
- Default rates of MFIs supported by MFSP (disaggregated by republic)

Illustrative Interventions:

- Training of MFI staff and MFI clients and increasing the outreach of current microfinance institutions;
- Developing a demand-driven comprehensive spectrum of MFI services, including not only lending, but other services such as savings, remittances, etc. that may be in higher demand in the NC region;

- Integration of these MFIs into the regional and national business and support infrastructures, which may results in their better capacities and higher capitalization;
- Attracting larger commercial banks and other sources of commercial funds to the NC regions, which will also results in better capitalization of the MFIs;
- Expansion of MF models to several regions in the NC beyond the current USAID-supported efforts in Kabardino-Balkaria; and
- Establishing pilot lending schemes, as appropriate, such as group lending and community-based MFIs in remote rural and settlement areas where more traditional MFIs are not able to service, involvement of funds for SME support and other local programs providing financial services to SMEs, and guarantee schemes.

Sub-IR1.1.2 Improved enabling environment conducive for sustainable development and growth of microfinance in the NC

The mandatory indicator for this IR will be:

- Number of laws and regulations, official republic and municipal programs drafted and approved to improve the regulatory environment for MFIs in the NC republics (disaggregated by republics).

Other illustrative indicators may include (but are not limited to):

- Increased support of the MFI and MSMEs from republic and municipal governments and population.
- Increased number of local republic and municipal stakeholders (including government and business organizations) participating in microfinance development (disaggregated by republic)
- Increased number of external stakeholders brought to the NC for long-term investment in the region (disaggregated by republic)

Illustrative Interventions:

- Assisting and promoting improvements in the legal and regulatory environment for MFIs in targeted NC republics;
- Integration of local NC-based MFIs' structures into regional and national ones;
- Establishing long-term partnerships of the local microfinance institutions with the regional and federal governments and business communities;
- Advancing republic and local MFIs to a level ensuring their long-term sustainability and growth; and
- Working closely with the republican and local administration governments on broader issues of micro, small, and medium enterprise (MSME) policy.

Technical Approach

USAID encourages a broad range of new ideas and creative approaches that will contribute to greater access to finance for private MSMEs in the NC.

The proposed project is expected to support the development of microfinance schemes in the selected NC republics, including the establishment of new credit cooperatives and strengthening the capacities of existing ones and attracting funds for small business support and other forms of microfinance institutions in the NC republics. The proposed project should strengthen the sustainability of these institutions by attracting commercial investors and providing for effective cooperation with regional and local governments to ensure the adoption of the proposed models and thus their long-term effect.

USAID recognizes that program income may be generated by the applicant through providing some services on a fee basis (which is essential to avoid distorting the existing market), and it expects such income to be used to further strengthen the microfinance infrastructure and capacities of microfinance organizations in the NC.

As USAID does not expect to provide any loan capital to microfinance facilities under this project, it will be important to consider partnering with organizations that can mobilize such capital, as well as utilize relevant resources made available by the Government of Russia at the federal and regional level in the NC. In support of this, the proposed project is expected to have a realistic and convincing Leveraging Plan, outlining how the applicant, in the course of project implementation, will leverage resources of the federal, regional and/or local governments and/or the private sector, e. g., in the form of federal, regional and/or municipal funding allocated for SME support and microfinance support programs, or loan capital and guarantee facilities of the government and private sector. Without sufficient justification, such leveraging will not directly fund the applicant, but shall provide additional financial, such as loan capital, and non-financial (in-kind) support to project beneficiaries (credit cooperatives, funds for small business support, other forms of microfinance organizations, as well as their clients in the NC republics), thus contributing to the local ownership and sustainability of project results.

The proposed approach is also expected to set in place a Coordination Plan for full coordination with other donors' support in the MSME area to ensure synergy and adequate coverage of the North Caucasus republics.

The initial target towns/villages within the selected republics and the specific methods of implementation are to be outlined. Subsequent additional towns/villages may be added as the activity gains momentum and should reflect both a rural/urban mix.

The proposed approach may include the creation and/or development, as appropriate, of microfinance institutions (MFIs) in the NC with proper consideration and analysis of applicability of various types of financial service models best addressing the local demand, including, but not limited to, such models as credit cooperatives of various types, funds for SME support, private microfinance companies, MSME oriented banks, group lending mechanisms and Islamic banking approaches, guarantee mechanisms, and participation in Russian government's SME finance programs.

The proposed approach is also expected to propose a strategy of how to reach MF clients and entrepreneurs beyond the geographic or thematic targeted area. This will involve outreach to particular business associations and chambers of commerce, or usage of existing networks from within Russia, including, where possible, the use of Russian peer-to-peer visits. In any case, the application should describe how other stakeholders in economic development can be exposed to the same activities that will be utilized to achieve further replication and dissemination of project results.

Addressing specialized MFSP risks

USAID considers there to be certain concerns and risks with implementing the MFSP and advises the applicant to address them in the proposed project design.

Issues related to the Region's relative isolation

The consequences from the Region's current post-conflict state are many with respect to this MFSP. Some of them include:

- Less Competitive Market – In the NC republics most prone to conflict or emerging from sustained hostilities, there is less competition from other financial services providers and more opportunities to reach larger client bases.
- Demand and Client Profiles Differ – Many people will have turned to entrepreneurship out of need, not because they are naturally suited to it. With this in mind, the demand for services could be very high but the quality of the plans and experience could be low.
- Government Openness to Reform – After hostilities and in a time of increased security, government agencies are more open to reform in microfinance and willing to press through innovations
- High Cost of Implementation – Due to heightened security issues, there can be impact on the sustainability of a microfinance institution diverting resources that could be used in more productive purposes like loan capital, use of guarantee schemes, and other tools.
- Community-Based Microfinance Institution Model – innovative models for delivering microfinance in conflict and post-conflict areas should be explored and considered.

Unintended Consequences

The applicant needs to be sensitive to negative unintended perceptions and consequences of lending in conflict and post-conflict areas. Indeed, the applicant should find ways to harness the current social and economic situations and unique characteristics of the region rather than ignore them.

Furthermore, emphasis on some rural enterprise development may aggravate land disputes and create new ones. Key challenges to MF lenders will be in finding quality business plan opportunities, the regulatory environment and the level of business entrepreneurship. The challenges to clients of MF models are closely related to the challenges of enterprises across the region and in Russia: high cost of financing, low or non-existent collateral, ineffective business enabling environment, high fuel prices, high cost of credit, and low purchase prices for agricultural produce set by wholesale monopolies.

Overall, the project must maintain a realistic perception with the public that services are not favoring one or more clan, family or ethnic grouping and must maintain as inclusive an environment as possible. The project will need to balance the need to serve the region's population most vulnerable to violent conflict and the areas in the NC where economic traction is better but microfinance is not benefiting a wide segment of the at-risk population.

Other Activities

In 2010 USAID/Russia plans to start new projects in the NC in areas of microfinance, entrepreneurship, development of agriculture value chains, local governance, NGO public advocacy, tuberculosis infection control, youth and reproductive health.

Over the past two years international donors have significantly reduced their humanitarian support to the Region and plan for a much smaller footprint in non-humanitarian assistance. Nevertheless, at least one relevant UN project in North Ossetia will continue until 2011. This project, coordinated under the United Nations Development Programme (UNDP), will increase access to micro-credit through consultancy support to microfinance institutions, trainings and capacity building; provide business advisory services to 1,000 entrepreneurs; promote small and micro enterprise and a favorable growth environment for small entrepreneurs through a "Business Incubator" to create new jobs; and increase attractiveness of rural employment opportunities through an "Agriculture Extension Service Centre" network at district level**.**

For the list of ongoing USAID projects in the NC see attachment B.

Coordination

In the NC a full-time North Caucasus Project Coordinator (NCPC) will provide overall coordination of USAID development efforts. The NCPC will be expected to:

- coordinate all USAID projects in the NC (for overlap, redundancies, scalability, synergies, complementarities);
- monitor USAID projects in the NC in consultation with the respective COTRs/AOTRs;
- identify potential opportunities for expanding USAID programming; and
- cultivate and maintain relationships among NC local leaders on behalf of USAID

The NCPC will help to minimize duplication of efforts in the NC, and ensure that all USAID projects complement each other, and to provide coordination and streamlining of USAID efforts.

Specifically, coordination of the MFSP is expected with the following projects. The ongoing *Rural Credit Cooperative and Agribusiness Development* project is implemented by ACDI/VOCA and is aimed at enhancing access to credit for small and medium-sized businesses through a rural credit cooperative system, providing professional development, improving the qualifications of current and potential rural credit cooperative personnel, and integrating rural credit cooperatives of the North Caucasus and Kalmykiya into the rural credit cooperative system of Russia. The new *North Caucasus Agricultural Value Chain Development* project will be aimed at improving production and trading skills in the North

Caucasus by investing in different components along the value chain. In instances where agricultural development is constrained due to lack of financial capital, it is expected that the applicant will cooperate with the agriculture projects to ease these constraints. Coordination with two new *North Caucasus Entrepreneurship* projects under USAID's Global Development Alliance (GDA) mechanism is also required. These projects will include business training and support activities to encourage entrepreneurship in the North Caucasus. Potential business owners working with the entrepreneurship project may have additional access to microfinance through the MFSP.

All implementing partners are expected to participate in coordination events (Project Kick Off Conference, regular coordination meetings, round tables with representatives of local authorities, etc.) conducted by USAID.

Required Elements

1. Geographic Focus

Defining a geographic focus for this programming, or selecting specific municipal sites for concentration of activities, may be a useful tool for creating synergies and creating a multiplier effect of program results. Geographic focus may also allow programming to target the very specific conditions of individual communities and better address their needs.

The MFSP should focus on the republics in which microfinance is underdeveloped: Dagestan, Chechnya, Ingushetia and Karachaevo-Cherkessia. Nevertheless, support may also be given, in a limited form, to further advance MF institutions that enjoyed previous support in the Republic of Kabardino-Balkaria. The application should include a strong justification for the selection of its target areas, which should take into consideration such factors as market conditions, the need for targeted assistance to improve the regulatory environment for MF and where the program can have the largest impact on targeted, vulnerable populations.

2. Reducing Isolation

Despite being a border region, the North Caucasus is isolated from the rest of the Russian Federation and from its international neighbors. Both the perceived and real security problems of the region keep outsiders away. Traveling within the region has its own complications, with a variety of checkpoints and spot checks by security officials.

Programs in the North Caucasus need to encourage the integration of citizens into broader communities and support networks. The isolation of both individuals and communities also contributes to the possibility of a return to conflict. To the greatest extent feasible, program activities should encourage participants from across the region to get to know each other, learn from each other, and become more aware of the benefits of exchanging best practices.

The project will strive to reduce this isolation by:

- Bringing program partners together on a regular basis with their counterparts from throughout Russia in order to share information on a peer-to-peer basis;

- Promoting the dissemination of best practices from other Russian regions through workshops and exchanges;
- Promoting ties among neighbors of the North Caucasus, including inter-regional collaboration among NGOs and government; and
- Promoting increased Russian understanding of the Region.

In addition, in more stable regions, the applicant may consider establishing offices (i.e., one-stop operations), which can also serve as meeting places, locations for sites visits or base of operations for inter-republic programs.

3. Engaging Youth and Marginalized Groups

Youth populations and marginalized groups, such as ethnic minorities, are especially vulnerable to being drawn into conflict, because they generally have fewer options provided to them by the existing social order. For this reason, programming directed at these groups can be particularly effective in keeping them from engaging in negative risk-taking behavior which could lead to violence. For all planned interventions, efforts will be made whenever possible to engage marginalized populations and youth (between the ages of 15-30), especially those who are at-risk of disaffection and alienation. It is important for all programming to consider how youth populations can be engaged. For example, sports, academic competition, and social events can be utilized to impart critical values to youth. As the programs begin to build trust relationships, engaging local religious and non-traditional leaders with youth and other groups should be considered.

Since the goal of the MFSP is to increase economic opportunities for those groups most likely to be drawn into conflict, it is expected that application will specifically target marginalized groups and youth for inclusion in its microfinance activities.

4. Working in Partnership with Communities

It is important to consider the strength of local, targeted communities. A one-size-fits-all approach in the North Caucasus is likely at best to result in only small instances of impact. By the same token, it is especially important to involve local implementers and regional networks who have knowledge of local conditions and have a strong track record. On the other hand, working with local organizations will probably mean that additional resources will need to be directed toward coordination and institutional development of these entities, which may have serious organizational deficiencies despite their ability to conduct effective technical work. By designing programming that engages stakeholders throughout the community, government officials, civil society leaders, private business owners and most importantly, citizens, the prospects for the success and sustainability of any given project is increased.

The applicant will work with communities to develop a demand-driven comprehensive spectrum of micro-finance services, including not only lending, but other services such as savings and remittances. In areas in which microfinance institutions exist, the applicant will help train staff and increase the outreach of these institutions. In more remote areas where traditional microfinance institutions might not be feasible, the applicant will establish pilot lending schemes such as group lending that utilize the unique resources and respond to the unique needs of each community.

5. Gender Analysis

In accordance with USAID policies, gender considerations must be taken into account in the planning and implementation of projects and activities. Within the context of the current program, this gender analysis aims to explore fundamental links between gender and conflict reduction. The purpose of this analysis is to identify and address gender issues that may obstruct or improve the impact of development support. Considering a gender perspective helps to ensure that interests of both women and men are adequately represented, so that women as well as men will benefit equally from the program interventions. In the context of the North Caucasus program, however, the focus of the gender analysis will be to a large extent on the position of women in order to address existing gender disparities.

In many republics of the North Caucasus, traditional gender relations and family patterns are maintained. This is very much reflected in the stereotypical vision of the roles of men and women. Research shows that men and women in the Caucasus enjoy different rights in many spheres of life (work, home, free time) and women often have fewer rights. A man generally has the role of decision-maker, he is considered to be "the head of the family", entitled to pursue a career, to enjoy time outside the family, whilst women often lack such opportunities.

<u>Focus on Men</u>

The emphasis too often seems to remain on women and fails to focus adequately on men's position in the gender equation. Experts agree that conflict-reduction programming should include activities that will stimulate young men to question traditional norms of masculinity emphasizing violence, confrontation and domination in contrast to alternative models of masculinity, more open to negotiation, cooperation and equality. Such activities can lead them to critically discuss the advantages of gender equitable behavior, including taking better care of their own sexual and reproductive health. Involving men in family planning and reproductive health programming is a way to address the root causes and reduce the risk of gender-based violence (GBV). Evidence suggests that attracting young men is essential. For instance, a survey conducted in the Chechen Republic by the Union of Women of the Don indicates that young male respondents tend to be most radicalized in denying women's political, social and economic rights and upholding discriminating gender stereotypes.

<u>Gender sensitivity of MFSP</u>

Gender sensitivity in a microfinance project would mean the acknowledgement of gender-based constraints that affect women in their entrepreneurship activities. Project activities need to include measures aimed at ensuring equal access of women to microfinance programs and considering women's perspectives in the governance, management and implementation of microfinance programs.
Men and women are often differentially impacted by conditions in the business and microfinance enabling environment. Specifically:

- Women may find it more difficult to address the microfinance program entry requirements, especially in the case of secured loans, as collateral (e.g. car, property or building) is often not in the woman's name;
- Women may find it more difficult to participate in negotiations with banking and business support institutions because of the tradition, which favors male-to-male agreements. According to anecdotal evidence, in some areas it is considered more appropriate for a woman to negotiate business or financial issues in the presence of a male relative;
- Women may have a significantly more restricted mobility than men. Women drivers are few in the North Caucasus republics. While male drivers can easily travel to a training or a business site, for a woman transportation may present a problem;
- Studies have found that formal registration of a business increases its likelihood of growth and access to key resources including credit, but that men and women are differentially able to take the step of registration, given their different endowments of time, knowledge, and capital.[6]

Gender-sensitive measures in microfinance and SME financing programs will aim to ensure that women are not disadvantaged by lending requirements (e.g. collateral requirements of assets not typically owned by women could be modified to include other assets women are more likely to own); incorporate training or leadership opportunities that help women access microfinance services and effectively use them. In lending organizations at all levels, it is important to develop an institutional structure and culture that is woman-friendly and empowering.

In assessing changes in women's socio-economic situations, gender-sensitive indicators are vital, not merely the number of women targeted in the project or the number of women-recipients of micro-credit, but also indicators tracking positive changes for women participating in the project, e.g. at the client level. It will be important to know not only the number of female borrowers, but the percentage of women accessing larger loans, or, at the institutional level, it will be important to track the percentage of women in leadership and decision-making positions.

To reduce existing gender disparities, the project will work with men and women on ensuring women's equal access to and use of microfinance services and changing attitudes and behavior with regard to women's economic empowerment.

6. Exploring Prospects for Sustainability of Programming

Previously, assistance directed toward the North Caucasus focused more on building stability rather than sustainability. In the face of a humanitarian crisis, the primary objective was to provide for immediate needs, rather than building capacity for communities to address these needs themselves. Currently, a lack of organizational capacity is the main barrier to the sustainability of not only NGOs, but also MSMEs and local government service provision. In any form of sustainable activity, organizations need to develop a strategy, seek out a constituency, and provide services that are valued by the public. USAID programs should, where possible, support sustainable development efforts to include local capacity building activities.

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[6] Marston, Anna with Kara Nichols Barrett 2006 Women in the Economy: A Review of Recent Literature.

USAID has considerable investments in promoting open microfinance regulations at the Federal, Republican and municipal level specifically throughout Dagestan, Chechnya, Ingushetia, and Kabardino-Balkaria. Of primary interest to the project will be working with local partners and building their capacity to carry out the MFSP in the future. Specifically, Russian firms and organizations specializing in MF processes should be sought out to realize their fullest potential under the project. Applicants must present a clear strategy for how sustainability shall be achieved. Applicants must promote long-term impact and the continuation of successful interventions by forging links with local, regional, and possibly, national, government and non-government organizations working in the MF sector.

ATTACHMENTS:

ATTACHMENT A: North Caucasus Assistance Project Results Framework
ATTACHMENT B: Table of Economic Characteristics of North Caucasus Republics

ATTACHMENT A

OVERARCHING GOAL: Improved local capacity to provide economic, governance, civic and healthcare opportunities will reduce the threat of violence in the North Caucasus.

Cross-cutting Elements In NC Programming:

1) Reducing isolation;
2) Engaging youth and diverse groups in the development process;
3) Work in partnership with communities;
4) Awareness of programmatic impacts on issues of gender; and
5) Explore prospects for sustainability of programming.

Critical Assumptions:

* The GOR allows USAID to operate in the North Caucasus;
* Political will of and resources from GOR to realize its SFD strategy;
* Security dynamics of NC remain no worse for USAID than current levels;
* Congressional earmarks will continue at the same annual level;
* Governments at the regional and local level engage with AID on programming; and
* Security presence sufficient to accommodate program monitoring.

IR #1: Economic opportunities increased for those groups most likely to be drawn into conflict.

Sub IR #1.1: Increased employment in MSME sector.

Sub IR # 1.2: Improved production skills and trading in agriculture.

IR #2: Increased public satisfaction with the effectiveness of local governance.

Sub IR #2.1: Introduce modern governance practices and increase the use of constituent-focused governance by local authorities in targeted areas.

Sub IR # 2.2: Improve the ability of local NGOs to indentify and advocate for issues of public interest.

IR #3: Improved quality and access to medical-social services

Sub IR #3.1: Improved TB diagnosis, treatment and infection control

Sub IR #3.2: Increased access to youth-friendly services.

Sub IR #3.3: Increased access to reproductive and maternal child health information and quality services.

ATTACHMENT B

TABLE OF ECONOMIC CHARACTERISTICS OF NC REPUBLICS

Entity (Capital)	President Governor	Area (km^2)	Population	Percent Rural	Unemployment	Per Capital Product ($PPP)	Average Monthly Income (Rubles)	**Degree of Federal** Budget Support
Chechnya (Grozny)	Ramzan Kadyrov (2007)	15,000	1,141,300	65.5%	70%	n/a	n/a	92.67%
Dagestan (Makhachkala)	M. Magomedov (2010)	50,300	2,621,800	57.2%	21.52%	2,616	1,316	78.50%
Ingushetia (Nazran)	Yunus-bek Yevkurov, (2008)	4,300	481,600	57.1%	66.36%	1,530	882	90.18%
Kabardino-Balkaria (Nalchik)	Arsen Kanokov (2005)	12,500	896,900	43.4%	22.77%	4,843	1,654	65.43%
Karachay-Cherkessia (Cherkessk)	Mustafa Batyev (2005)	14,300	434,500	56%	16.40%	3,065	1,366	67.17%

SECTION II – AWARD INFORMATION

A. Estimate of Funds Available

Subject to the availability of funds and approval of USAID/Russia's annual Operational Plan, USAID intends to provide approximately $4.5-5.5 million in total USAID funding for the life of the activity (four years).

B. Type and Number of Awards

USAID intends to award one (1) Cooperative Agreement to the responsible applicant whose program is considered to best meet the development challenge outlined in the RFA. Note: The Government may (a) reject any or all applications, (b) accept other than the lowest cost application, (c) accept more than one application, (d) accept alternate applications, and (e) waive informalities and minor irregularities in applications received. USAID reserves the right to fund any or none of the applications submitted.

C. Start Date and Period of Performance

USAID anticipates making an award on early calendar year 2011. The period of performance anticipated herein is four (4) years.

D. Substantial Involvement

USAID considers collaboration with the Recipient crucial for the successful implementation of this project. A Cooperative Agreement implies a level of "substantial involvement" by USAID through the Agreement Officer's Technical Representative (AOTR) or the Agreement Officer (AO). The intended purpose of USAID involvement during the award is to assist the recipient in achieving the supported objectives of the agreement. USAID expects to be substantially involved in the cooperative agreement in the following ways:

- Approval of Annual Implementation Plan by the AOTR;
- Approval of Key Personnel by the AOTR;
- Concurrence on selection criteria for subawards by AOTR;
- Concurrence on selection of subawardees by the AO;
- Approval of the Award Monitoring Plan by the AOTR;
- Monitoring to permit specified kinds of direction or redirection because of interrelationships with other projects.

SECTION III – ELIGIBILITY INFORMATION

A. Eligible Applicants

Qualified applicants must be Russian non-governmental organizations (NGOs). In support of the Agency's interest in fostering a larger assistance base and expanding the number and sustainability of development partners, USAID encourages applications from potential new partners, particularly if they are joined with a more experienced organization.

B. Local Registration

All local institutions must be registered as a legal entity in Russia.

C. Cost Sharing or Matching

While cost share is not required, applicants will be required to submit a Leveraging Plan and to actively leverage funds and in-kind contributions from all available and interested local funding sources, including, but not limited to, government and public institutions, individuals, corporations, NGOs, foundations, etc.

SECTION IV – APPLICATION AND SUBMISSION INFORMATION

A. Application Package

The federal grant process is now web-enabled. Beginning November 1, 2005, the preferred method of distribution of USAID RFAs and submission/receipt of applications is electronically via Grants.gov, which provides a single source for Federal government-wide competitive grant opportunities. This RFA and any future amendments can be downloaded from www.grants.gov. In order to use this method, an applicant must first register on-line with Grants.gov. If you have difficulty registering or accessing the RFA, please contact the Grants.gov Helpdesk at 1-800-518-4726 or via e-mail at support@usaid.gov for technical assistance. Applicants may upload applications to www.grants.gov It is the responsibility of the recipient of the application document to ensure that it has been received from Grants.gov in its entirety. USAID bears no responsibility for data errors resulting from transmission or conversion processes.

Potential applicants may also request a copy of the RFA application package by sending a fax to USAID/Russia, Attn. Contracting Office, at (7-495) 960-2141 or 2142, referring to USAID-Russia-DI-10-0006-RFA "North Caucasus Microfinance Support Project".

In the event of an inconsistency between the documents comprising this RFA, it shall be resolved by the following descending order of precedence:

(1) Section V.B – Technical Evaluation;
(2) Section IV.D – Submission of Applications
(3) Section IV.E – Application Preparation Guidelines; and
(4) Section I – Funding Opportunity Description

B. Point of Contact

Donella J. Russell, Agreement Officer
U.S. Agency for International Development
Novinsky Boulevard 19/23
121099 Moscow
Russian Federation

C. Questions

Any questions concerning this RFA must be submitted in writing to Donella J. Russell, via internet at drussell@usaid.gov **and** to Alexander Borzov at aborzov@usaid.gov or via fax at (7-495) 960-2140 by 1700 hours local Moscow time on October 26, 2010. Oral explanations or instructions given before award will not be binding. Any information given to a prospective applicant concerning this RFA will be furnished promptly to all other prospective applicants as an amendment of this RFA, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective applicants.

D. Submission of Applications

Applications must be submitted no later than 1700 hours local Moscow time on November 19, 2010. Late applications will be accepted and reviewed at the discretion of the Agreement Officer.

Applications may be submitted using any one of the following methods:

1. Submission through www.grants.gov: Applicants are encouraged to up-load applications to www.grants.gov. Please go to http://www.grants.gov for application instructions. For Grants.gov technical support, call 1-800-518-4726. Applications will be considered received by USAID on the date and time when the application has been submitted to Grants.gov for validation. Grants.gov will certify and electronically stamp applications upon receipt.

2. By Email Submission: Applicants e-mailing submissions shall forward them to the following e-mail address: Russia-Applications@usaid.gov with the e-mail SUBJECT line to read: "Application for NC Microfinance Support Project." Applicants submitting electronic applications are responsible for ensuring that complete applications are received by the deadline. The time of receipt for electronic submissions will be based on the automatic electronic delivery time stamp from the usaid.gov e-mail server. USAID servers may automatically reject e-mails with zip files. Applicants submitting zipped files do so at the risk that their application will not be received. Acceptable file formats are Word, Adobe Acrobat and Excel.

3. Hard Copy Submissions: Applications shall be submitted in two separate sealed envelopes: (a) technical portions of applications in an original and two copies and (b) cost portions of applications in an original and one copy. Hard copy submissions must in MS Word and/or Excel on letter or on A4 paper and single-spaced, using 10 or 12 font. The applicant must also include a copy of the technical and cost proposals on one CD which should be included with the hard copy submission. Applications and modifications thereto shall be submitted in envelopes with the name and address of the applicant and RFA # (referenced above) inscribed thereon. Applicants should submit the hard copy application package as follows:

Donella J. Russell, Agreement Officer
American Embassy Moscow
U.S. Agency for International Development
Novinsky Boulevard 19/23
121099 Moscow
Russian Federation
Tel: (7-495) 728-5000

4. Faxed Applications: Faxed applications will not be accepted. However, applications may be modified by written or faxed notice, if that notice is received by the time specified for receipt of applications.

E. Application Preparation Guidelines

Applicants are expected to review, understand, and comply with all aspects of this RFA. Failure to do so will be at the applicant's risk. All applications received by the deadline will be reviewed for responsiveness to the specifications outlined in these guidelines and the technical and cost application format.

All applications must be submitted in English in two separate parts: (a) technical and (b) cost or business application.

Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application in response to this RFA are not desired and may be construed as an indication of the applicant's lack of cost consciousness. Elaborate art work, expensive paper and bindings, and expensive visual and other presentation aids are neither necessary nor wanted.

1. Technical Application Format

The technical application will be the most important item of consideration in selection for award of the proposed activity. The application should demonstrate the applicant's capabilities and expertise with respect to achieving the goals of this project. Therefore, it should be specific, complete and concise and arranged in the order of the evaluation criteria contained in Section V.

Technical applications should not exceed 30 pages in length, exclusive of the two annexes.
The technical application shall consist of the following:

- Cover Page (1 page)
- Application Summary (2 pages)
- Narrative (27 pages)
  - Technical Approach (15 pages)
  - Leveraging Plan (2 pages)
  - Illustrative First Year Implementation Plan (2 pages)
  - Illustrative Monitoring and Evaluation Plan (2 pages)
  - Management & Institutional Capacity, including Management Plan (3 pages)
  - Project Team (3 pages)
- Annexes
  - Resumes (not more than 2 pages per resume)
  - Past Performance References (3 pages)

To facilitate the competitive review of the applications, USAID will consider only applications conforming to the prescribed format and page limitations. Any other information submitted, including letters of reference or commitment, will not be provided to the evaluation panel and will not be evaluated.

Technical applications shall include:

Cover Page: A **single page** with the names of the organizations/institutions involved and the lead or primary Applicant clearly identified. Any proposed subgrantees (or implementing partners) should be listed separately. In addition, the Cover Page should provide a contact person for the prime Applicant, including this individual's name (both typed and his/her signature), title or position with the organization/institution, address, telephone and fax numbers and e-mail address. State whether the contact person is the person with authority to contract for the Applicant, and if not, that person should also be listed with contact information. Applications signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office. Erasures or other changes must be initialed by the person signing the application. The TIN and DUNS numbers of the Applicant should also be listed on the cover page.

Application Summary: The Application Summary **shall not exceed two pages** and should summarize the key elements of the Applicant's strategy and approach. The Application Summary should be concise and accurate.

Narrative (27 pages or less): The narrative should contain the following elements:

a. Technical Approach (15 pages or less)

i. The Program Approach must include a clear description of the conceptual approach and the general strategy (i.e. methodology and techniques) being proposed and must reflect a thorough understanding of microfinance issues in the North Caucasus of the Russian Federation; a description of the target population; identify mechanisms to ensure ongoing coordination with other donors, implementing agencies, and related projects; outline specific, focused activities; describe the strategy for collaborating and getting buy-in from Russian organizations and regional governments; include a well-articulated strategy for dissemination and long-term impact; explain how the approach is expected to achieve the proposed objectives; and describe a plan that will enable the activities to continue after the grant is completed. Applicants must specify annual and end-of-program results in the design of the program that directly contribute to the lower level and intermediate results identified in the Program Description Framework. Applicants are encouraged to propose innovative programs designed to reach the desired outcomes/results.

ii. Applications shall discuss how resources will be organized to obtain expected results. The applicant should discuss fully the "what" and the "how" of its plan. The purpose of this approach is to allow the applicant greater creative freedom to develop a plan for resource organization and use.

iii. Applicants must provide a description of any partnerships and sub-recipient relationships planned with partners. Applicants should detail any existing relationships with partner organizations and/or the methods proposed to establish new relationships. In this regard it is necessary to describe how elements of the grant will be implemented with non-government organization partners and other types of partners.

iv. Gender equality: In accordance with USAID policies, activities will address gender issues as appropriate, and promote gender equality as a goal of program activities. Applicants should address gender concerns in a fundamental way. USAID encourages all applicants to provide additional or alternative recommendations on how to address gender equality in this project.

b. Leveraging Plan (2 pages or less)

In the interests of bolstering project results and promoting sustainability and local ownership, applicants must submit a Leveraging Plan as part of their applications that outlines proposed approaches for leveraging outside resources, including those of private investors who are interested in expanding their businesses and interests in the North Caucasus, and federal, regional and municipal government or other stakeholders interested in promoting SME and microfinance development.

No letters of commitment are required. Rather, applicants should outline a realistic leveraging plan that takes into account existing programs of the federal, republican, and/or municipal governments, and other opportunities that could realistically be realized within the course of the MFSP by leveraging government, private sector and other stakeholder resources.

c. Illustrative First Year Implementation Plan (2 pages or less)

The application must provide an illustrative First Year Implementation Plan for achieving expected program results. The applicant is encouraged to propose innovative implementation mechanisms to reach the desired results and an aggressive but realistic schedule of performance milestones as steps toward achieving proposed results. The implementation plan should clearly outline links between the proposed results, conceptual approach, and performance milestones, and should include a realistic timeline for achieving the annual and end-of-program results. This plan will be considered illustrative for the purposes of evaluating applications; however, once the award is made, finalizing the implementation plan will be a key activity. Within 60 days of the effective date of the award, the successful Applicant will be required to submit a revised first year implementation plan, which will be approved by the USAID Agreement Officer's Technical Representative (AOTR).

d. Illustrative Award Monitoring Plan (2 pages or less)

As part of the program approach, applicants shall submit an Award Monitoring Plan (AMP). However, within 60 days of the effective date of the award, the successful Applicant will be required to submit a revised/updated plan, which will be approved by the USAID Agreement Officer's Technical Representative (AOTR). Applicants shall propose a plan for establishment of baseline data for indicators and performance targets, data collection and annual reporting.

e. Project Team (3 pages or less)

The applicant must specify the staff required for each component or activity, demonstrate their technical expertise and provide the estimated amount of time that each staff person would devote to the project. The Chief of Party must have a proven track record working on similar programs, with a preference for individuals who have worked in Russia or the former Soviet Union. The Chief of Party should preferably also be able to use both Russian and English languages in professional settings. Applicants must propose which positions should be Key Personnel (no more than five positions or five percent of recipient employees employed under the award). In an annex to the technical application, applicants should provide resumes for the candidates proposed for all key personnel and long-term positions. The resumes should demonstrate that the proposed key personnel and long-term staff possess the skills and knowledge to effectively carry out their proposed responsibilities. Applicants must also demonstrate how they plan to build in-country capacity to provide project leadership, technical guidance and overall management over the life of the project.

Applicants must provide evidence of their technical and managerial resources and expertise (or their ability to obtain such) in program management and their experience in addressing similar relevant programs and issues in the past.

f. Management & Institutional Capacity (3 pages or less)

As part of the technical application, applicants must submit a ***Management Plan.*** The applicant should specify the organizational structure of the entire project team, including home office support and implementing partners, if any, for the entire project, and describe how each of the components will be managed. "Implementing partners" are organizations that will have substantial implementation responsibilities. The management plan should identify potential implementing partners and clearly state the responsibilities of each proposed implementing partner in achieving the proposed results and the unique capacities/skills they bring to the program. Please note that documentation that reflects an "exclusive" relationship between implementing partners is not requested and should not be submitted.

Applicants must also offer evidence of their technical and managerial resources and expertise (or their ability to obtain such) in program management and their experience in managing similar programs in the past. Information in this section should include (but is not limited to) the following information:

a. Brief description of organizational history and experience
b. Examples of accomplishments in developing and implementing similar programs
c. Relevant experience with proposed approaches
d. Institutional strength as represented by breadth and depth of experienced personnel in project relevant disciplines and areas
e. Sub-recipient or subcontractor capabilities and expertise, if applicable;
f. Proposed field management structure and financial controls;
g. Home office backstopping and its purpose.

Annexes:

Resumes: Resumes are to be included as an Annex for each individual who is proposed as key personnel and/or long-term staff on the program, for both the Applicant and proposed implementing partners, if any. Resumes should use a common format, not exceed two pages and should include at least three references with telephone numbers and e-mail addresses for each reference. Please note that documentation that reflects an "exclusive" relationship between an individual and an applicant is not requested and should not be submitted.

Past Performance References: Describe all contracts, grants and cooperative agreements which the organization (both the primary Applicant as well as any partners substantially involved in implementation) has implemented involving similar or related programs over the past three years. Please include the following: name and address of the organization for which the work was performed; current telephone number and e-mail address of a responsible representative of the organization for which the work was performed; contract/grant name and number (if any); annual amount received for each of the last three years; beginning and ending dates; and a brief description of the project/assistance activity. Past performance information should not exceed 3 pages.

USAID may contact references (for both the applicant and for personnel proposed) and use the past performance data regarding the organization, along with other information to determine the applicant's responsibility. The Government reserves the right to obtain information for use in the evaluation of past performance from any and all sources inside or outside the Government.

2. Cost Application Format

The Cost or Business Application is to be submitted in English under separate cover from the technical application. Certain documents are required to be submitted by an applicant in order for the Grant Officer to make a determination of responsibility. However, it is USAID policy not to burden applicants with undue reporting requirements if that information is readily available through other sources.

The Cost Application shall consist of the following:

- Cover Page
- SF-424, SF-424A and SF-424B (U.S. organizations only)
- Mandatory Certifications and Assurances
- Acknowledgement of any amendments to the RFA
- Budget
- Budget Narrative
- Current Negotiated Indirect Cost Rate Agreement (NICRA)
- Teaming documents (if any)
- Documentation from applicants who do not have a current NICRA or who have never received an award from the U.S. government as explained more fully below.

The following sections describe the documentation that applicants for an assistance award must submit to USAID prior to award. While there is no page limit for this portion, applicants are encouraged to be as concise as possible, but still provide the necessary detail to address the following:

Cover Page: A **single page** with the names of the organizations/institutions involved and the lead or primary Applicant clearly identified. Any proposed sub grantees (or implementing partners) should be listed separately. In addition, the Cover Page should provide a contact person for the prime Applicant, including this individual's name (both typed and his/her signature), title or position with the organization/institution, address, telephone and fax numbers and e-mail address. State whether the contact person is the person with authority to contract for the Applicant, and if not, that person should also be listed with contact information. Applications signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office. Erasures or other changes must be initialed by the person signing the application. The TIN and DUNS numbers of the Applicant should also be listed on the cover page.

Mandatory Certifications and Assurances

Applicants must submit the following mandatory certifications:

- PART I – Certifications and Assurances
  - Assurance of Compliance with Laws and Regulations Governing Non-Discrimination in Federally Assisted Programs
  - Certification Regarding Lobbying
  - Certification Covering Terrorist Financing

- PART II – Other Statements of Recipient

These certifications and assurances are attached as Annex C to this RFA.

Acknowledgement of Any Amendments to the RFA

Applicants shall acknowledge receipt of all amendments, if any, to this RFA by signing and returning the amendment as part of the cost application. The Government must receive the acknowledgement by the time specified for receipt of applications.

Budget

Applicants must submit an overall summary budget as well as a detailed annual budget defined by result area or component. Stated another way, the budget should relate to results while also showing the type of cost for each result. The budget must clearly display:

- the breakdown of all costs associated with the program according to costs of, if applicable, headquarters, regional and/or country offices;

- the breakdown of all costs according to each partner organization involved in the program;

- the costs associated with external, expatriate technical assistance and those associated with local in-country technical assistance;

- the breakdown of the financial and in-kind contributions of all organizations involved in implementing this Grant; and

- the potential contributions of non-USAID or private commercial donors to this Grant.

Budget Narrative

To support the costs proposed, please provide detailed budget narrative for all costs that clearly identifies the basis of all costs, such as market surveys, price quotations, current salaries, historical experience, etc. The combination of the cost data and breakdowns specified above and the budget narrative must be sufficient to allow a determination whether the costs estimated are reasonable and realistic. If the information described below is provided in the budget described above, then the information need not be included in the Budget Notes. The following section provides guidance on issues involving specific types of costs. Please note that applicants are **not** required to present their costs in the budget or budget narrative in the format or order below.

i) Salary and Wages - Direct salaries and wages should be proposed in accordance with the applicant's personnel policies.

ii) Fringe Benefits - If the applicant has a fringe benefit rate that has been approved by an agency of the U.S. Government, such rate should be used and evidence of its approval should be provided. If a fringe benefit rate has not been so approved, the application should include a detailed breakdown comprised of all items of fringe benefits and the costs of each, expressed in dollars and as a percentage of salaries.

iii) Travel and Transportation - The application should indicate the number of trips, domestic and international, and the estimated costs per trip. Specify the origin and destination for each proposed trip, duration of travel, and number of individuals traveling. *Per diem* should be based on the applicant's normal travel policies (applicants may choose to refer to the Federal Standardized Travel Regulations for cost estimates).

iv) Equipment – Specify all equipment to be purchased, including the type of equipment, the manufacturer, the unit cost, the number of units to be purchased and the expected geographic source.

v) Materials and Supplies – Specify all materials and supplies expected to be purchased, including type, unit cost and units.

vi) Communications – Specific information regarding the type of communication cost at issue (*i.e.* mail, telephone, cellular phones, internet *etc.*) must be included in order to allow an assessment of the realism and reasonableness of this types of costs.

vii) Subcontracts/Subwards/Consultants – Information sufficient to determine the reasonableness of the cost of each specific subcontract/subaward and consultant expected to be hired must be included. Similar information should be provided for all consultants as is provided under the category for personnel.

viii) Allowances – Allowances should be broken down by specific type and by person. Allowances should be in accordance with the applicant's policies and the applicable regulations and policies.

ix) Direct Facilities Costs – Specific information regarding the cost of any facilities needed to perform program activities. The information provided should include the unit cost (rent), the time period the facilities are needed and the number of facilities. Only facilities that directly benefit the program activities should be included in this category; all other facility costs should be included in the indirect cost category.

x) Other Direct Costs - This may include other costs not elsewhere specified, such as report preparation costs, passports and visas fees, medical exams and inoculations, insurance (other than insurance included in the applicant's fringe benefits, as well as any other miscellaneous costs which directly benefit the program proposed by the applicant. The narrative should provide a breakdown and support for all other direct costs. If seminars and conferences are included, the applicant should indicate the subject, venue and duration of proposed conferences and seminars, and their relationship to the objectives of the program, along with estimates of costs.

xi) Indirect Costs - The applicant should support the proposed indirect cost rate with a letter from a cognizant U.S. Government audit agency or with sufficient information for USAID to determine the reasonableness of any such cost proposed to be associated with this agreement. (For example, a breakdown of labor bases and overhead pools, the method of determining the direct versus the indirect costs, a description of all costs in the pools, *etc*.).

Current Negotiated Indirect Cost Rate Agreement (NICRA)

A current Negotiated Indirect Cost Rate Agreement must be submitted, if the applicant has one.

Other Documentation

a. Teaming: If the applicant is a group of organizations that has actually formed a separate entity – *i.e.* a joint venture -- for the purposes of this application, then the cost application must include a copy of the documents that set forth the legal relationship between the partner organizations. If no joint venture is involved, the cost application should include a complete discussion of the relationship between the applicant and its partner organizations, how work under the program will be allocated and how work will be organized and managed. The Budget Narrative described above should discuss which team member is bearing a particular cost where appropriate and justify and explain the cost in question.

b. Financial and Other Resources: The cost application should include information on the applicant's financial status and management. All applicants should submit information relating to whether there has been approval of the organization's accounting system by a U.S. Government agency, including the name, address, and telephone number of the cognizant auditor. If the applicant has made a certification to USAID that its personnel, procurement and travel policies are compliant with applicable OMB circular and other applicable USAID and Federal regulations, a copy of the certification should be included with the application.

Organizations that have never been awarded a U.S. government contract or grant must present the following documentation:

(a) Audited financial statements for the past three years;

(b) Organization chart, by-laws, constitution, and articles of incorporation, if applicable;

(c) Copies of the applicant's accounting, personnel, travel and procurement policies. Please indicate whether any of these policies have been reviewed and approved by any agency of the U.S. government. If so, provide the name, address, email and phone number of the cognizant reviewing official. **Similar information should be submitted for all partner organizations.**

c. Responsibility: Applicants should submit any additional evidence of responsibility deemed necessary for the Grant Officer to make a determination of responsibility. The information submitted should substantiate that the Applicant:

1. Has adequate financial resources or the ability to obtain such resources as required during the performance of the award.
2. Has the ability to comply with the award conditions, taking into account all existing and currently prospective commitments of the applicant, nongovernmental and governmental.
3. Has a satisfactory record of performance. Past relevant unsatisfactory performance is ordinarily sufficient to justify a finding of non-responsibility, unless there is clear evidence of subsequent satisfactory performance.
4. Has a satisfactory record of integrity and business ethics; and
5. Is otherwise qualified and eligible to receive a grant under applicable laws and regulations.

An award shall be made only when the Grant Officer makes a positive determination that the applicant possesses, or has the ability to obtain, the necessary management competence in planning and carrying out assistance programs and that it will practice mutually agreed upon methods of accountability for funds and other assets provided by USAID.

For organizations that are new to USAID or organizations with outstanding audit findings, it may be necessary to perform a pre-award survey.

F. Disclosure of Data

Applicants who include data that they do not want disclosed to the public for any purpose or used by the U.S. Government except for evaluation purposes, should:

(a) Mark the title page with the following legend:

"This application includes data that shall not be disclosed outside the U.S. Government and shall not be duplicated, used, or disclosed - in whole or in part - for any purpose other than to evaluate this application. If, however, a grant is awarded to this applicant as a result of - or in connection with - the submission of this data, the U.S. Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting grant. This restriction does not limit the U.S. Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets; and

(b) Mark each sheet of data it wishes to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this application."

SECTION V – APPLICATION REVIEW INFORMATION

A. Basis for Award

Award will be made to the responsible applicant whose program is considered to best meet the development challenge outlined in the RFA. The final award decision is made by the Grant Officer, taking into account the Technical Evaluation Committee recommendations, cost evaluation (including cost share, if recommended) and the applicant's proposed Branding Strategy and Marking Plan.

B. Technical Evaluation

The criteria presented below have been tailored to the requirements of this particular RFA. Applicants should note that these criteria serve to: (a) identify the significant matters which applicants should address in their applications and (b) set the standard against which all applications will be evaluated.

The technical applications will be evaluated in accordance with the Technical Evaluation Criteria set forth below. Sub-criteria are listed in descending order of importance.

1. Technical Approach (50 Points)

- Extent to which the proposed program approach is clear, technically sound; and directly addresses the objectives identified in this RFA, incorporates all of the required program elements and proposes ambitious yet achievable results with appropriate indicators.
- Extent to which the application sets forth sound strategies for coordination with the government of Russia at the federal and regional levels and other key stakeholders.
- Extent to which the proposed Leveraging Plan is likely to attract additional investors and stakeholders interested in continued development of the microfinance industry in the North Caucasus region beyond the period of the project.
- A sound gender analysis and proposed approach for gender issues.

2. Organizational Capacity (25 Points)

- Demonstrated capacity to implement large scale multi-faceted programs and effectively implement microfinance programs, preferably in Russia and/or the North Caucasus republics.
- Management plan with a clear division of duties and responsibilities, detailing the staffing, financial, and technical resources that will be employed to implement the approach, including team members, if any.
- Demonstrated institutional capacity to operate in a complex cultural, political, and post-conflict environment preferably in the North Caucasus.

3. Project Personnel (15 Points)

- Extent to which the technical qualifications, knowledge and abilities (including Russian and English language skills) of proposed key personnel and long-term staff are appropriate to their proposed roles and are suited to the successful implementation of the technical approach.
- Extent to which the program draws on expertise in the North Caucasus.

- Demonstrated past performance of key personnel in successful project implementation and interaction with a broad range of stakeholders, including relevant federal and regional government authorities.

4. Past Performance (10 Points)

- Past performance in implementing microfinance development programs, preferably in Russia and/or in the North Caucasus.

C. Cost Evaluation

Cost has not been assigned a weight but will be evaluated for realism, reasonableness, allocability, allowability and cost-effectiveness. Cost sharing, if any, will be evaluated on the level of financial participation proposed and the added value it represents to the program.

D. Review and Selection Process

The technical applications will be evaluated in accordance with the Technical Evaluation Criteria set forth above. Thereafter, the cost application(s) of the most highly-ranked applicant(s) will be opened. To the extent that they are necessary, clarifications or negotiations will then be conducted. The Grant Officer will then select an Apparently Successful Applicant. The Apparently Successful Applicant means the applicant recommended for an award after evaluation, but who has not yet been awarded a grant, cooperative agreement or other assistance award by the Grant Officer. The Grant Officer will request that the Apparently Successful Applicants submit a Branding Strategy and Marking Plan. Apparently Successful Applicant status confers no right and constitutes no USAID commitment to an award.

The Apparently Successful Applicant, upon the request of the Grant Officer, will submit and negotiate a Marking Plan that addresses the details of the public communications, commodities, program materials that will visibly bear the USAID Identity. The marking plan will be customized for the particular program, project, or activity under the resultant grant or cooperative agreement. The plan will be included in and made a part of the resulting grant or cooperative agreement. USAID and the Apparently Successful Applicant will negotiate the Marking Plan within the time specified by the Grant Officer. **Failure to submit and negotiate a Marking Plan will make the applicant ineligible for award of a grant or cooperative agreement.** The applicant must include an estimate of all costs associated with branding and marking USAID programs, such as plaques, labels, banners, press events, promotional materials, and so forth in the budget portion of its application. These costs are subject to revision and negotiation with the Grant Officer upon submission of the Marking Plan and will be incorporated into the Total Estimated Amount of the grant, cooperative agreement or other assistance instrument.

The Grant Officer will review the Marking Plan for adequacy and reasonableness, ensuring that it contains sufficient detail and information concerning public communications, commodities, and program materials that will visibly bear the USAID Identity. The Grant Officer will evaluate the plan to ensure that it is consistent with the stated objectives of the award; with the applicant’s cost data submissions; with the applicant’s actual project, activity, or program performance plan; and with the regulatory requirements of 22 C.F.R. 226.91. The Grant Officer will approve or disapprove any requested Presumptive Exceptions (see paragraph (d)) on the basis of adequacy and reasonableness. The Grant Officer may obtain advice and recommendations from technical experts while performing the evaluation.

E. Anticipated Announcement and Award Dates

An award is anticipated early in calendar year 2011.

SECTION VI – AWARD AND ADMINISTRATION INFORMATION

A. Authority to Obligate the Government

The Grant Officer is the only individual who may legally commit the Government to the expenditure of public funds. No costs chargeable to the proposed Agreement may be incurred before receipt of either a fully executed Agreement or a specific, written authorization from the Grant Officer.

B. Award Notices

All applicants will be notified in writing of the final decision regarding their application.

C. Administrative and National Policy Requirements

1. Award Format: The standard format for award will be a grant to a non-U.S. organization, as prescribed in ADS 303, will be used.

2. Allowable Costs: Pursuant to 22 CFR 226.81, it is USAID policy not to award profit under assistance instruments. However, all reasonable, allocable, and allowable expenses, both direct and indirect, which are related to the grant program and are in accordance with applicable cost standards (22 CFR 226, OMB Circular A-122 for non-profit organizations, OMB Circular A-21 for universities, the Federal Acquisition Regulation (FAR) Part 31 for-profit organizations, the Mandatory Standard Provision entitled “Allowable Costs (OCTOBER 1998)” for non-U.S., nongovernmental recipients.

3. Funding Restrictions: The award resulting from this RFA may have restrictions on funding activities that benefit the central government of the Russian Federation and its institutions.

4. Reporting

Initial Implementation Plan: Within 60 days of award, the Recipient will be required to submit a draft detailed work plan for the first year of activities to the USAID/Russia AOTR for review and approval (two hard copies and an electronic copy). The AOTR must provide written comments on the draft plan within three weeks of receipt and when the plan is finalized, the AOTR will provide written approval.

The work plan should include a list of the tasks to be completed during the year, grouped under the objective that they seek to support. For each task, the recipient should: 1) explain in brief its connection to the objective; 2) define the necessary steps to complete the tasks; 3) assign responsibilities for completing those steps; 4) provide any quantitative or qualitative targets (e.g., number of persons to be trained, topics of the trainings, etc); and 5) a timeline for the implementation of the task.

The initial work plan must include the recipient’s proposed **Award Monitoring Plan**, which must establish specific impact indicators, targets, progress benchmarks for the life of the award, and the date by which all baseline data will be established. USAID/Russia and the Recipient will agree upon benchmark measures and indicators of progress toward achieving project goals. Baseline data must be finalized no late than 180 days after the award is made. All person-level indicators must be disaggregated by gender.

Annual Implementation Plan: Annual implementation plans for subsequent years are due to the AOTR 30 days before the end of the preceding award year (two hard copies and an electronic copy). The implementation plan should include a list of the tasks to be completed during the year, grouped under the objective that they seek to support. For each task, the Recipient should 1) explain in brief its connection to the objective; 2) define the necessary steps to complete the tasks; 3) outline any special issues that the recipient will target for that year; 4) assign responsibilities for completing those steps; 5) provide any quantitative or qualitative targets (e.g., number of persons to be trained); and 6) a timeline for the implementation of the task.

Performance Reporting: Quarterly performance reporting will be required under any award made hereunder. The performance reports must contain, among other things, report on annual and life-of-project results when applicable.

5. Other Considerations: In responding to this RFA, potential applicants should bear in mind the following special considerations:

a. Authorized Geographic Code: The following provision is applicable to this RFA and will be incorporated into any award made hereunder:

The authorized Geographic Codes for procurement of goods and services under the proposed award are 000 (United States) and 110 (NIS or Newly Independent States). The countries of Eastern Europe are not included in these Geographic Codes.

As provided for in 22 CFR 228.02, the criteria for source and origin waivers for assistance provided under the FREEDOM Support Act are stated in section 498B(h)(2) of the Foreign Assistance Act of 1961, subject to any further restrictions imposed by agreement or regulation. The basic criteria in section 498B(h)(2) are: (A) the provision of the assistance requires commodities or services of a type that are not produced in and available for purchase in any country specified in the authorized Geographic Codes; or (B) that procurement in another country is necessary to meet unforeseen circumstances -- such as emergency situations -- where it is important to permit procurement in a country not specified in the authorized Geographic Codes, or to promote efficiency in the use of United States foreign assistance resources, including to avoid impairment of foreign assistance objectives. An additional requirement for waivers of type (A) to countries in a Code not included in Code 941 is that the commodities or services are also of a type that are not produced in and available for purchase in any country specified in Code 941.

Applicants must ensure that all proposed services and commodities procurements meet the abovementioned source, origin and nationality requirements. If services, including consultants and trainers, or commodities not complying with Geographic Codes 000 or 110 are to be procured, applicants must request and justify a waiver and the need for such waiver(s) must be noted in the business management proposal. All waivers must be approved by the USAID/Russia Mission Dirctor.

b. ***Environmental Requirements:*** The following provision is applicable to this RFA and will be incorporated into any award made hereunder:

a. The Foreign Assistance Act of 1961, as amended, Section 117 requires that the impact of USAID's activities on the environment be considered and that USAID include environmental sustainability as a central consideration in designing and carrying out its development programs. This mandate is codified in Federal Regulations (22 CFR 216) and in USAID's Automated Directives System (ADS) Parts 201.5.10g and 204 (*http://www.usaid.gov/policy/ADS/200/*), which, in part, require that the potential environmental impacts of USAID-financed activities are identified prior to a final decision to proceed and that appropriate environmental safeguards are adopted for all activities. The Recipient's environmental compliance obligations under these regulations and procedures are specified in the following paragraphs of this award.

b. In addition, the Recipient must comply with host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter shall govern.

c. No activity funded under this award will be implemented unless an environmental threshold determination, as defined by 22 CFR 216, has been reached for that activity, as documented in a Request for Categorical Exclusion (RCE), Initial Environmental Examination (IEE), or Environmental Assessment (EA) duly signed by the Bureau Environmental Officer (BEO). (Hereinafter, such documents are described as "approved Regulation 216 environmental documentation.")

d. An Initial Environmental Examination (IEE) [DCN-2008-RUS-007] has been approved for the program funded under this award. The IEE covers activities expected to be implemented under this award. USAID has determined that a **Negative Determination with conditions** applies to one or more of the proposed activities. This indicates that if these activities are implemented subject to the specified conditions, they are expected to have no significant adverse effect on the environment. The Recipient shall be responsible for implementing all IEE conditions pertaining to activities to be funded under this award.

e. As part of its initial work plan, and all annual work plans thereafter, the Recipient, in collaboration with the USAID Agreement Officer's Technical Representative and Mission Environmental Officer or Bureau Environmental Officer, as appropriate, shall review all ongoing and planned activities under this award to determine if they are within the scope of the approved Regulation 216 environmental documentation. A brief statement describing how the grantee ensures that program activities comply with these terms should be included in annual/quarterly reports.

f. If the Recipient plans any new activities outside the scope of the approved Regulation 216 environmental documentation, it shall prepare an amendment to the documentation for USAID review and approval. No such new activities shall be undertaken prior to receiving written USAID approval of environmental documentation amendments.

g. Any ongoing activities found to be outside the scope of the approved Regulation 216 environmental documentation shall be halted until an amendment to the documentation is submitted and written approval is received from the Agreement Officer.

h. Unless the approved Regulation 216 documentation contains a complete environmental mitigation and monitoring plan (EMMP), the Recipient may be required to:

a) Prepare an EMMP describing how the Recipient will, in specific terms, implement all IEE and/or EA conditions that apply to proposed project activities within the scope of the award.

The EMMP shall include monitoring the implementation of the conditions and their effectiveness.

b) Integrate a completed EMMP into the initial work plan.

c) Integrate an EMMP into subsequent Annual Work Plans, making any necessary adjustments to activity implementation in order to minimize adverse impacts to the environment.

The Recipient should consult and coordinate with the Agreement Officer's Technical Representative and the Mission Environmental Officer to discuss which mitigation measures and monitoring are required for specific activities.

i. If provisions for sub-grants and sub-projects are included under this award; the Recipient may be required to use an Environmental Review and Assessment (ERA) Checklist or Environmental Due Diligence (EDD) Form using impact assessment tools to screen grant proposals and suggestions for sub-projects to ensure the funded proposals/sub-projects will result in no adverse environmental impact, to develop mitigation measures, as necessary, and to specify monitoring and reporting. Use of the ERA checklist or EDD is called for when the nature of the grant proposals and suggestions for sub-projects to be funded is not well enough known to make an informed decision about their potential environmental impacts, yet due to the type and extent of activities to be funded, any adverse impacts are expected to be easily mitigated. Implementation of sub-grant and sub-project activities cannot go forward until the ERA checklist or EDD is completed and approved by USAID. The Recipient is responsible for ensuring that mitigation measures specified by the ERA checklist or EDD process are implemented. The Recipient should consult and coordinate with the Agreement Officer's Technical Representative and the Mission Environmental Officer to prior to undertaking the required analysis and discuss which options are most appropriate for the given action.

j. Periodic performance reports, as specified in this award, shall also address the status of environmental issues or mitigating measures.

c. North Caucasus Security Notice: The following provisions are applicable to this RFA and will be incorporated into any award made hereunder:

Safety and Security

1. Grantee/Recipient shall keep its employees who are involved in implementing this Grant/Cooperative Agreement aware of the information published by the U.S. Department of State, Bureau of Consular Affairs, about travel of U.S. citizens to the North Caucasus, as amended from time to time. This information may be found at **http://travel.state.gov**, under Consular Information Sheets, Russian Federation. The following is a quotation from a portion of the current Consular Information Sheet for the Russian Federation.

"SAFETY AND SECURITY: Due to continued civil and political unrest throughout much of the Caucasus region, the Department of State continues to warn U.S. citizens against travel to Chechnya and all areas that border it: North Ossetia, Ingushetia, Dagestan, Stavropol, Karachayevo-Cherkessia and Kabardino-Balkariya. The U.S. government's ability to assist Americans who travel to the northern Caucasus is extremely limited. Throughout the region, local criminal gangs have kidnapped foreigners, including Americans, for ransom. U.S. citizens have disappeared in Chechnya and remain missing. Close contacts with the local population do not guarantee safety. There have been several kidnappings of foreigners and Russians working for non-governmental organizations in the region. Travel to this area by United States government personnel is allowed only in rare circumstances and requires advance coordination of a full time armed escort. American citizens residing in these areas should depart immediately as the safety of Americans and other foreigners cannot be effectively guaranteed.

"American citizens living in Russia or traveling there for even a few days are strongly urged to register with the embassy or nearest consulate general. Registration will allow the embassy to provide direct information on the security situation as necessary. Registration is done on-line and can be done in advance of travel. Information on registering can be found at the embassy web **www.usembassy.ru** or at the Department of State's Consular Affairs website: **https://travelregistration.state.gov** ."

2. Grantee's U.S. citizen employees working on this Grant in the Russian Federation are strongly urged to register with the U.S. Embassy in Moscow, as explained above in the Consular Information Sheet. The Grantee and its employees assume the risks of traveling in the Russian Federation.

d. ***Branding and Marking:*** The following provisions are applicable to this RFA and will be incorporated into any award made hereunder:

BRANDING STRATEGY - ASSISTANCE (December 2005)

(a) **Definitions**

Branding Strategy means a strategy that is submitted at the specific request of a USAID Agreement Officer by an Apparently Successful Applicant after evaluation of an application for USAID funding, describing how the program, project, or activity is named and positioned, and how it is promoted and communicated to beneficiaries and host country citizens. It identifies all donors and explains how they will be acknowledged.

Apparently Successful Applicant(s) means the applicant(s) for USAID funding recommended for an award after evaluation, but who has not yet been awarded a grant, cooperative agreement or other assistance award by the Agreement Officer. The Agreement Officer will request that the Apparently Successful Applicants submit a Branding Strategy and Marking Plan. Apparently Successful Applicant status confers no right and constitutes no USAID commitment to an award.

USAID Identity (Identity) means the official marking for the Agency, comprised of the USAID logo and new brandmark, which clearly communicates that our assistance is from the American people. The USAID Identity is available on the USAID website and is provided without royalty, license, or other fee to recipients of USAID-funded grants or cooperative agreements or other assistance awards or subawards.

(b) **Submission.** The Apparently Successful Applicant, upon request of the Agreement Officer, will submit and negotiate a Branding Strategy. The Branding Strategy will be included in and made a part of the resulting grant or cooperative agreement. The Branding Strategy will be negotiated within the time that the Agreement Officer specifies. Failure to submit and negotiate a Branding Strategy will make the applicant ineligible for award of a grant or cooperative agreement. The Apparently Successful Applicant must include all estimated costs associated with branding and marking USAID programs, such as plaques, stickers, banners, press events and materials, and the like.

(c) **Submission Requirements**
At a minimum, the Apparently Successful Applicant's Branding Strategy will address the following:

(1) Positioning

What is the intended name of this program, project, or activity?

Guidelines: USAID prefers to have the USAID Identity included as part of the program or project name, such as a "title sponsor," if possible and appropriate. It is acceptable to "co-brand" the title with

USAID's and the Apparently Successful Applicant's identities. For example: "The USAID and [Apparently Successful Applicant] Health Center."

If it would be inappropriate or is not possible to "brand" the project this way, such as when rehabilitating a structure that already exists or if there are multiple donors, please explain and indicate how you intend to showcase USAID's involvement in publicizing the program or project. *For example: School #123, rehabilitated by USAID and [Apparently Successful Applicant]/ [other donors].*
Note: the Agency prefers "made possible by (or with) the generous support of the American instead of the phrase "funded by." USAID prefers local language translations.

Will a program logo be developed and used consistently to identify this program? If yes, please attach a copy of the proposed program logo.

Note: USAID prefers to fund projects that do NOT have a separate logo or identity that competes with the USAID Identity.

<u>(2) Program Communications and Publicity</u>

Who are the primary and secondary audiences for this project or program?

<u>Guidelines</u>: Please include direct beneficiaries and any special target segments or influencers. *For Example: Primary audience: schoolgirls age 8-12, Secondary audience: teachers and parents–specifically mothers.*

What communications or program materials will be used to explain or market the program to beneficiaries?

<u>Guidelines</u>: These include training materials, posters, pamphlets, Public Service Announcements, billboards, websites, and so forth.

What is the main program message(s)?

<u>Guidelines</u>: *For example: "Be tested for HIV-AIDS" or "Have your child inoculated."* Please indicate if you also plan to incorporate USAID's primary message – this aid is "from the American people" – into the narrative of program materials. This is optional; however, marking with the USAID Identity is required.

Will the recipient announce and promote publicly this program or project to host country citizens? If yes, what press and promotional activities are planned?

<u>Guidelines</u>: These may include media releases, press conferences, public events, and so forth. Note: incorporating the message, "USAID from the American People", and the USAID Identity is required.

Please provide any additional ideas about how to increase awareness that the American people support this project or program.

<u>Guidelines</u>: One of our goals is to ensure that both beneficiaries and host-country citizens know that the aid the Agency is providing is "from the American people." Please provide any initial ideas on how to further this goal.

<u>(3) Acknowledgements</u>

Will there be any direct involvement from a host-country government ministry? If yes, please indicate which one or ones. Will the recipient acknowledge the ministry as an additional co-sponsor?

Note: it is perfectly acceptable and often encouraged for USAID to "co-brand" programs with government ministries.

Please indicate if there are any other groups whose logo or identity the recipient will use on program materials and related communications.

<u>Guidelines</u>: Please indicate if they are also a donor or why they will be visibly acknowledged, and if they will receive the same prominence as USAID.

(d) **Award Criteria**. The Agreement Officer will review the Branding Strategy for adequacy, ensuring that it contains the required information on naming and positioning the USAID-funded program, project, or activity, and promoting and communicating it to cooperating country beneficiaries and citizens. The Agreement Officer also will evaluate this information to ensure that it is consistent with the stated objectives of the award; with the Apparently Successful Applicant’s cost data submissions; with the Apparently Successful Applicant’s project, activity, or program performance plan; and with the regulatory requirements set out in 22 CFR 226.91. The Agreement Officer may obtain advice and recommendations from technical experts while performing the evaluation.

MARKING PLAN – ASSISTANCE (December 2005)

(a)**Definitions**

Marking Plan means a plan that the Apparently Successful Applicant submits at the specific request of a USAID Agreement Officer after evaluation of an application for USAID funding, detailing the public communications, commodities, and program materials and other items that will visibly bear the USAID Identity. Recipients may request approval of Presumptive Exceptions to marking requirements in the Marking Plan.

Apparently Successful Applicant(s) means the applicant(s) for USAID funding recommended for an award after evaluation, but who has not yet been awarded a grant, cooperative agreement or other assistance award by the Agreement Officer. The Agreement Officer will request that Apparently Successful Applicants submit a Branding Strategy and Marking Plan. Apparently Successful Applicant status confers no right and constitutes no USAID commitment to an award, which the Agreement Officer must still obligate.

USAID Identity (Identity) means the official marking for the Agency, comprised of the USAID logo and new brandmark, which clearly communicates that our assistance is from the American people. The USAID Identity is available on the USAID website and USAID provides it without royalty, license, or other fee to recipients of USAID-funded grants, cooperative agreements, or other assistance awards or subawards.

A ***Presumptive Exception*** exempts the applicant from the general marking requirements for a *particular* USAID-funded public communication, commodity, program material or other deliverable, or a *category* of USAID-funded public communications, commodities, program materials or other deliverables that would otherwise be required to visibly bear the USAID Identity. The Presumptive Exceptions are:

Presumptive Exception (i). USAID marking requirements may not apply if they would compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and materials, such as election monitoring or ballots, and voter information literature; political party support or public policy advocacy or reform; independent media, such as television and radio broadcasts, newspaper articles and editorials; and public service announcements or public opinion polls and surveys (22 C.F.R. 226.91(h)(1)).

Presumptive Exception (ii). USAID marking requirements may not apply if they would diminish the credibility of audits, reports, analyses, studies, or policy recommendations whose data or findings must be seen as independent (22 C.F.R. 226.91(h)(2)).

Presumptive Exception (iii). USAID marking requirements may not apply if they would undercut host-country government "ownership" of constitutions, laws, regulations, policies, studies, assessments, reports, publications, surveys or audits, public service announcements, or other communications better positioned as "by" or "from"a cooperating country ministry or government official (22 C.F.R. 226.91(h)(3)).

Presumptive Exception (iv). USAID marking requirements may not apply if they would impair the functionality of an item, such as sterilized equipment or spare parts (22 C.F.R. 226.91(h)(4)).

Presumptive Exception (v). USAID marking requirements may not apply if they would incur substantial costs or be impractical, such as items too small or otherwise unsuited for individual marking, such as food in bulk (22 C.F.R. 226.91(h)(5)).

Presumptive Exception (vi). USAID marking requirements may not apply if they would offend local cultural or social norms, or be considered inappropriate on such items as condoms, toilets, bed pans, or similar commodities (22 C.F.R. 226.91(h)(6)).

Presumptive Exception (vii). USAID marking requirements may not apply if they would conflict with international law (22 C.F.R. 226.91(h)(7)).

(b) **Submission.** The Apparently Successful Applicant, upon the request of the Agreement Officer, will submit and negotiate a Marking Plan that addresses the details of the public communications, commodities, program materials that will visibly bear the USAID Identity. The marking plan will be customized for the particular program, project, or activity under the resultant grant or cooperative agreement. The plan will be included in and made a part of the resulting grant or cooperative agreement. USAID and the Apparently Successful Applicant will negotiate the Marking Plan within the time specified by the Agreement Officer. Failure to submit and negotiate a Marking Plan will make the applicant ineligible for award of a grant or cooperative agreement. The applicant must include an estimate of all costs associated with branding and marking USAID programs, such as plaques, labels, banners, press events, promotional materials, and so forth in the budget portion of its application. These costs are subject to revision and negotiation with the Agreement Officer upon submission of the Marking Plan and will be incorporated into the Total Estimated Amount of the grant, cooperative agreement or other assistance instrument.

(c) **Submission Requirements**. The Marking Plan will include the following:

(1) A description of the public communications, commodities, and program materials that the recipient will produce as a part of the grant or cooperative agreement and which will visibly bear the USAID Identity. These include:

(i) program, project, or activity sites funded by USAID, including visible infrastructure projects or other programs, projects, or activities that are physical in nature;

(ii) technical assistance, studies, reports, papers, publications, audio-visual productions, public service announcements, Web sites/Internet activities and other promotional, informational, media, or communications products funded by USAID;

(iii) events financed by USAID, such as training courses, conferences, seminars, exhibitions, fairs, workshops, press conferences, and other public activities; and

(iv) all commodities financed by USAID, including commodities or equipment provided under humanitarian assistance or disaster relief programs, and all other equipment, supplies and other materials funded by USAID, and their export packaging.

(2) A table specifying:

(i) the program deliverables that the recipient will mark with the USAID Identity,

(ii) the type of marking and what materials the applicant will be used to mark the program deliverables with the USAID Identity, and

(iii) when in the performance period the applicant will mark the program deliverables, and where the applicant will place the marking.

(3) A table specifying:

(i) what program deliverables will not be marked with the USAID Identity, and

(ii) the rationale for not marking these program deliverables.

(d) **Presumptive Exceptions.**

(1) The Apparently Successful Applicant may request a Presumptive Exception as part of the overall Marking Plan submission. To request a Presumptive Exception, the Apparently Successful Applicant must identify which Presumptive Exception applies, and state why, in light of the Apparently Successful Applicant's technical proposal and in the context of the program description or program statement in the USAID Request For Application or Annual Program Statement, marking requirements should not be required.

(2) Specific guidelines for addressing each Presumptive Exception are:

(i) For Presumptive Exception (i), identify the USAID Strategic Objective, Interim Result, or program goal furthered by an appearance of neutrality, or state why the program, project, activity, commodity, or communication is 'intrinsically neutral.' Identify, by category or deliverable item, examples of program materials funded under the award for which you are seeking exception 1.

(ii) For Presumptive Exception (ii), state what data, studies, or other deliverables will be produced under the USAID funded award, and explain why the data, studies, or deliverables must be seen as credible.

(iii) For Presumptive Exception (iii), identify the item or media product produced under the USAID funded award, and explain why each item or product, or category of item and product, is better positioned as an item or product produced by the cooperating country government.

(iv) For Presumptive Exception (iv), identify the item or commodity to be marked, or categories of items or commodities, and explain how marking would impair the item's or commodity's functionality.

(v) For Presumptive Exception (v), explain why marking would not be cost-beneficial or practical.

(vi) For Presumptive Exception (vi), identify the relevant cultural or social norm, and explain why marking would violate that norm or otherwise be inappropriate.

(vii) For Presumptive Exception (vii), identify the applicable international law violated by marking.

(3) The Agreement Officer will review the request for adequacy and reasonableness. In consultation with the Cognizant Technical Officer and other agency personnel as necessary, the Agreement Officer will approve or disapprove the requested Presumptive Exception. Approved exceptions will be made part of the approved Marking Plan, and will apply for the term of the award, unless provided otherwise.

(e) **Award Criteria**: The Agreement Officer will review the Marking Plan for adequacy and reasonableness, ensuring that it contains sufficient detail and information concerning public communications, commodities, and program materials that will visibly bear the USAID Identity. The Agreement Officer will evaluate the plan to ensure that it is consistent with the stated objectives of the award; with the applicant's cost data submissions; with the applicant's actual project, activity, or program performance plan; and with the regulatory requirements of 22 C.F.R. 226.91. The Agreement Officer will approve or disapprove any requested Presumptive Exceptions (see paragraph (d)) on the basis of adequacy and reasonableness. The Agreement Officer may obtain advice and recommendations from technical experts while performing the evaluation.

MARKING UNDER USAID-FUNDED ASSISTANCE INSTRUMENTS (December 2005)

(a) Definitions

Commodities mean any material, article, supply, goods or equipment, excluding recipient offices, vehicles, and non-deliverable items for recipient's internal use, in administration of the USAID-funded grant, cooperative agreement, or other agreement or subagreement.

Principal Officer means the most senior officer in a USAID Operating Unit in the field, e.g., USAID Mission Director or USAID Representative. For global programs managed from Washington but executed across many countries, such as disaster relief and assistance to internally displaced persons, humanitarian emergencies or immediate post conflict and political crisis response, the cognizant Principal Officer may be an Office Director, for example, the Directors of USAID/W/Office of Foreign Disaster Assistance and Office of Transition Initiatives. For non-presence countries, the cognizant Principal Officer is the Senior USAID officer in a regional USAID Operating Unit responsible for the non-presence country, or in the absence of such a responsible operating unit, the Principal U.S Diplomatic Officer in the non-presence country exercising delegated authority from USAID.

Programs mean an organized set of activities and allocation of resources directed toward a common purpose, objective, or goal undertaken or proposed by an organization to carry out the responsibilities assigned to it.

Projects include all the marginal costs of inputs (including the proposed investment) technically required to produce a discrete marketable output or a desired result (for example, services from a fully functional water/sewage treatment facility).

Public communications are documents and messages intended for distribution to audiences external to the recipient's organization. They include, but are not limited to, correspondence, publications, studies, reports, audio visual productions, and other informational products; applications, forms, press and promotional materials used in connection with USAID funded programs, projects or activities, including signage and plaques; Web sites/Internet activities; and
events such as training courses, conferences, seminars, press conferences and so forth.

Subrecipient means any person or government (including cooperating country government) department, agency, establishment, or for profit or nonprofit organization that receives a USAID subaward, as defined in 22 C.F.R. 226.2.

Technical Assistance means the provision of funds, goods, services, or other foreign assistance, such as loan guarantees or food for work, to developing countries and other USAID recipients, and through such recipients to subrecipients, in direct support of a development objective – as opposed to the internal management of the foreign assistance program.

USAID Identity (Identity) means the official marking for the United States Agency for International Development (USAID), comprised of the USAID logo or seal and new brandmark, with the tagline that clearly communicates that our assistance is "from the American people." The USAID Identity is available on the USAID website at www.usaid.gov/branding and USAID provides it without royalty, license, or other fee to recipients of USAID-funded grants, or cooperative agreements, or other assistance awards.

(b) Marking of Program Deliverables

(1) All recipients must mark appropriately all overseas programs, projects, activities, public communications, and commodities partially or fully funded by a USAID grant or cooperative agreement or other assistance award or subaward with the USAID Identity, of a size and prominence equivalent to or greater than the recipient's, other donor's, or any other third party's identity or logo.

(2) The Recipient will mark all program, project, or activity sites funded by USAID, including visible infrastructure projects (for example, roads, bridges, buildings) or other programs, projects, or activities that are physical in nature (for example, agriculture, forestry, water management) with the USAID Identity. The Recipient should erect temporary signs or plaques early in the construction or implementation phase. When construction or implementation is complete, the Recipient must install a permanent, durable sign, plaque or other marking.

(3) The Recipient will mark technical assistance, studies, reports, papers, publications, audio-visual productions, public service announcements, Web sites/Internet activities and other promotional, informational, media, or communications products funded by USAID with the USAID Identity.

(4) The Recipient will appropriately mark events financed by USAID, such as training courses, conferences, seminars, exhibitions, fairs, workshops, press conferences and other public activities, with the USAID Identity. Unless directly prohibited and as appropriate to the surroundings, recipients should display additional materials, such as signs and banners, with the USAID Identity. In circumstances in which the USAID Identity cannot be displayed visually, the recipient is encouraged otherwise to acknowledge USAID and the American people's support.

(5) The Recipient will mark all commodities financed by USAID, including commodities or equipment provided under humanitarian assistance or disaster relief programs, and all other equipment, supplies, and other materials funded by USAID, and their export packaging with the USAID Identity.

(6) The Agreement Officer may require the USAID Identity to be larger and more prominent if it is the majority donor, or to require that a cooperating country government's identity be larger and more prominent if circumstances warrant, and as appropriate depending on the audience, program goals, and materials produced.

(7) The Agreement Officer may require marking with the USAID Identity in the event that the recipient does not choose to mark with its own identity or logo.

(8) The Agreement Officer may require a pre-production review of USAID-funded public communications and program materials for compliance with the approved Marking Plan.

(9) Subrecipients. To ensure that the marking requirements "flow down" to subrecipients of subawards, recipients of USAID funded grants and cooperative agreements or other assistance awards will include the USAID-approved marking provision in any USAID funded subaward, as follows:

"As a condition of receipt of this subaward, marking with the USAID Identity of a size and prominence equivalent to or greater than the recipient's, subrecipient's, other donor's or third party's is required. In the event the recipient chooses not to require marking with its own identity or logo by the subrecipient, USAID may, at its discretion, require marking by the subrecipient with the USAID Identity."

(10) Any 'public communications', as defined in 22 C.F.R. 226.2, funded by USAID, in which the content has not been approved by USAID, must contain the following disclaimer:

"This study/report/audio/visual/other information/media product (specify) is made

possible by the generous support of the American people through the United States Agency for International Development (USAID). The contents are the responsibility of [insert recipient name] and do not necessarily reflect the views of USAID or the United States Government."

(11) The recipient will provide the Agreement Officer's Technical Representative (AOTR) or other USAID personnel designated in the grant or cooperative agreement with two copies of all program and communications materials produced under the award. In addition, the recipient will submit one electronic or one hard copy of all final documents to USAID's Development Experience Clearinghouse.

(c) Implementation of marking requirements.

(1) When the grant or cooperative agreement contains an approved Marking Plan, the recipient will implement the requirements of this provision following the approved Marking Plan.

(2) When the grant or cooperative agreement does not contain an approved Marking Plan, the recipient will propose and submit a plan for implementing the requirements of this provision within [***Agreement Officer fill-in***] days after the effective date of this provision. The plan will include:

(i) A description of the program deliverables specified in paragraph (b) of this provision that the recipient will produce as a part of the grant or cooperative agreement and which will visibly bear the USAID Identity.

(ii) the type of marking and what materials the applicant uses to mark the program deliverables with the USAID Identity,

(iii) when in the performance period the applicant will mark the program deliverables, and where the applicant will place the marking,

(3) The recipient may request program deliverables not be marked with the USAID Identity by identifying the program deliverables and providing a rationale for not marking these program deliverables. Program deliverables may be exempted from USAID marking requirements when:

(i) USAID marking requirements would compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and materials;

(ii) USAID marking requirements would diminish the credibility of audits, reports, analyses, studies, or policy recommendations whose data or findings must be seen as independent;

(iii) USAID marking requirements would undercut host-country government "ownership" of constitutions, laws, regulations, policies, studies, assessments, reports, publications, surveys or audits, public service announcements, or other communications better positioned as "by" or "from" a cooperating country ministry or government official;

(iv) USAID marking requirements would impair the functionality of an item;

(v) USAID marking requirements would incur substantial costs or be impractical;

(vi) USAID marking requirements would offend local cultural or social norms, or be considered inappropriate;

(vii) USAID marking requirements would conflict with international law.

(4) The proposed plan for implementing the requirements of this provision, including any proposed exemptions, will be negotiated within the time specified by the Agreement Officer after receipt of the proposed plan. Failure to negotiate an approved plan with the time specified by the Agreement Officer may be considered as noncompliance with the requirements in this provision.

(d) Waivers.

(1) The recipient may request a waiver of the Marking Plan or of the marking requirements of this provision, in whole or in part, for each program, project, activity, public communication or commodity, or, in exceptional circumstances, for a region or country, when USAID required marking would pose compelling political, safety, or security concerns, or when marking would have an adverse impact in the cooperating country. The recipient will submit the request through the Cognizant Technical Officer. The Principal Officer is responsible for approvals or disapprovals of waiver requests.

(2) The request will describe the compelling political, safety, security concerns, or adverse impact that require a waiver, detail the circumstances and rationale for the waiver, detail the specific requirements to be waived, the specific portion of the Marking Plan to be waived, or specific marking to be waived, and include a description of how program materials will be marked (if at all) if the USAID Identity is removed. The request should also provide a rationale for any use of recipient's own identity/logo or that of a third party on materials that will be subject to the waiver.

(3) Approved waivers are not limited in duration but are subject to Principal Officer review at any time, due to changed circumstances.

(4) Approved waivers "flow down" to recipients of subawards unless specified otherwise. The waiver may also include the removal of USAID markings already affixed, if circumstances warrant.

(5) Determinations regarding waiver requests are subject to appeal to the Principal Officer's cognizant Assistant Administrator. The recipient may appeal by submitting a written request to reconsider the Principal Officer's waiver determination to the cognizant Assistant Administrator.

(e) Non-retroactivity. The requirements of this provision do not apply to any materials, events, or commodities produced prior to January 2, 2006. The requirements of this provision do not apply to program, project, or activity sites funded by USAID, including visible infrastructure projects (for example, roads, bridges, buildings) or other programs, projects, or activities that are physical in nature (for example, agriculture, forestry, water management) where the construction and implementation of these are complete prior to January 2, 2006 and the period of the grant does not extend past January 2, 2006.

SECTION VII – AGENCY CONTACTS

Donella J. Russell, Agreement Officer, and Alexander Borzov, A&A Specialist
American Embassy Moscow
U.S. Agency for International Development
Novinsky Boulevard 19/23
121099 Moscow
Russian Federation

Tel: (7-495) 728-5000
Fax: (7-495) 960-2140

drussell@usaid.gov or aborzov@usaid.gov

SECTION VIII – OTHER INFORMATION

Applicable Regulations & References

http://www.usaid.gov/pubs/ads/300/303maa.pdf

- Mandatory Standard Provisions for U.S., Nongovernmental Recipients
- Mandatory Standard Provisions for Non-U.S. Nongovernmental Recipients:

http://www.usaid.gov/policy/ads/300/303mab.pdf

- 22 CFR 226

http://www.access.gpo.gov/nara/cfr/waisidx_02/22cfr226_02.html

- OMB Circular A-122

http://www.whitehouse.gov/omb/circulars/a122/a122.html

- OMB Circular A-110

http://www.whitehouse.gov/omb/circulars/a110/a110.html

- ADS Series 300 Acquisition and Assistance

http://www.usaid.gov/pubs/ads/

- SF-424 Downloads

http://www.grants.gov/agencies/aapproved_standard_forms.jsp

ANNEX A

OVERARCHING GOAL: Improved local capacity to provide economic, governance, civic and healthcare opportunities will reduce the threat of violence in the North Caucasus.

Cross-cutting Elements in NC Programming:

1) Reducing isolation;

2) Engaging youth and diverse groups in the development process;

3) Work in partnership with communities;

4) Awareness of programmatic impacts on issues of gender; and

5) Explore prospects for sustainability of programming.

Critical Assumptions:

* The GOR allows USAID to operate in the North Caucasus;
* Political will of and resources from GOR to realize its SFD strategy;
* Security dynamics of NC remain no worse for USAID than current levels;
* Congressional earmarks will continue at the same annual level;
* Governments at the regional and local level engage with AID on programming; and
* Security presence sufficient to accommodate program monitoring.

IR #1: Economic opportunities increased for those groups most likely to be drawn into conflict.

Sub IR #1.1: Increased employment in MSME sector.

Sub IR # 1.2: Improved production skills and trading in agriculture.

IR #2: Increased public satisfaction with the effectiveness of local governance.

Sub IR #2.1: Introduce modern governance practices and increase the use of constituent-focused governance by local authorities in targeted areas.

Sub IR # 2.2: Improve the ability of local NGOs to indentify and advocate for issues of public interest.

IR #3: Improved quality and access to medical-social services

Sub IR #3.1: Improved TB diagnosis, treatment and infection control

Sub IR #3.2: Increased access to youth-friendly services.

Sub IR #3.3: Increased access to reproductive and maternal child health information and quality services.

ANNEX B

List of USAID's ongoing projects in the NC

1. Improved Community Infrastructure in North Ossetia

Partner: Children's Fund of North Ossetia (CFNO)
Project Dates: July 2006 – October 2011
Location: North Ossetia
Description: This project aims to strengthen the socio-economic integration of vulnerable and displaced populations in North Ossetia by improving their standards of living and employment opportunities. The project facilitates the integration of vulnerable and displaced populations, especially forced migrants, in North Ossetia by improving infrastructure and social services through labor-intensive public works projects and by developing small businesses through training and a targeted small grants program.

2. Intergovernmental Fiscal Reform (Public Finance and Budgeting in the North Caucasus)

Partner: Center for Fiscal Policy (CFP)
Project Dates: September 2003 – August 2010 (possible extension through September 2011)
Location: North Caucasus, Rostov Oblast, Stavropol Krai
Description: This project is part of a nationwide Intergovernmental Fiscal Reform project that provides technical assistance to federal, regional, and local authorities on intergovernmental fiscal and budget reform issues. The purpose of the project is to promote values of fiscal federalism such as fairness, transparency, and objectiveness in budgetary relations. Project activities also focus on improving government spending efficiency in public sectors and supporting government efforts to rationalize the budget process. Working with regional and municipal administrations, the Center for Fiscal Policy aims to create a more effective and transparent fiscal system and improve the Russian government's ability to provide public services.

3. North Caucasus Rural Credit Cooperative and Agribusiness Development

Partner: ACDI/VOCA (in collaboration with the Rural Credit Cooperative Development Foundation)
Project Dates: September 2005 – September 2011
Location: Adygeya, Chechnya, Dagestan, Ingushetia, Kabardino-Balkaria, Kalmykiya, Karachayevo-Cherkessia, Krasnodar Krai, North Ossetia, Stavropol Krai
Description: This project develops rural credit cooperatives and agribusinesses in the North Caucasus. The first component enhances access to credit for small and medium-sized businesses through a rural credit cooperative system, provides professional development, improves the qualifications of current and potential rural credit cooperative personnel, and integrates rural credit cooperatives of the North Caucasus and Kalmykiya into the rural credit cooperative system of Russia. The agribusiness component improves the quality and scale of services rendered by agricultural and extension institutions to agribusinesses in the North Caucasus, and improves their efficiency and profitability.

4. Small and Medium-Sized Enterprise Policy Advocacy

Partner: Center for International Private Enterprise (CIPE)

Project Dates: September 2002 – September 2010 (possible extension through September 2011)
Location: North Ossetia-Alania
Description: This project strengthens the capacity of regional business associations to advocate for improvements in policies affecting small and medium-sized enterprises (SME) in seventeen regions of the Russian Federation. Business associations are strengthened and encouraged to advocate more effectively on behalf of their members and to maximize the practical impact of their message. The project also promotes the formation of business association coalitions that serve as advocates in their regions for sensible policy changes and administrative reforms that combat corruption in the regulation of SMEs.

5. Developing Tools for the Russian Microfinance Sector
Partner: Russian Microfinance Center (RMC)
Project Dates: July 2007 – September 2010
Location: North Caucasus
Description: This is part of a nationwide project to improve the distribution of financial services to start-up businesses, microfinance organizations, and low income population groups. The project supports cooperation between banks and microfinance institutions and provides training for credit cooperatives, microfinance organizations, and Funds for SME support.

6. Economic Development in the North Caucasus
Partner: Institute for Urban Economics (IUE)
Project Dates: September 2008 – September 2011
Location: North Caucasus
Description: This project aims to strengthen local self-government by improving the quality of decision-making and expanding opportunities in the field of development and management of financial, human and physical resources. Project activities will provide the local administrations and NGOs with the necessary skills and tools for the delivery of effective, efficient and socially just public services. A training program will improve the level of professional qualification of mid and senior-level state and municipal officials and leaders of local NGOs to implement social, economic and administrative reforms.

7. Comprehensive Model of Tuberculosis Control
Partner: International Federation of Red Cross and Red Crescent Societies (IFRC)
Project Dates: September 2001 – September 2010 (possible multi-year extension)
Location: Adygeya
Description: The purpose of this project is to reduce tuberculosis mortality, morbidity and disease transmission and to prevent the development of drug resistance. It is designed to assist Russia in the fight against a growing epidemic of tuberculosis (TB), including multi-drug resistant TB, by contributing to Russian efforts to implement internationally recognized, efficient approaches to TB control and the Global Stop TB Strategy. The project is establishing comprehensive TB programs in Adygeya, as well as 5 other target regions, with a focus on community involvement in TB prevention and treatment. The project also seeks to strengthen the capacity of local branches of the Russian Red Cross.

8. Civil Society Development in Southern Russia
Partner: Southern Regional Resource Centre (SRRC)
Project Dates: November 2003 – September 2010

Location**:** Adygeya, Chechnya, Dagestan, Ingushetia, Kabardino-Balkaria, Karachayevo-Cherkessia, Krasnodar Krai, North Ossetia-Alania, Rostov Oblast, and Stavropol Krai
Description: This project enhances broad public participation in decision-making in an ethnically-diverse region of Russia by developing the capacity of local NGOs to influence public policy and improve their public outreach to different constituencies. The project aims to strengthen the impact of the Southern Regional Resource Center (SRRC) and its regional NGO network in the area of public policy formulation by advancing effective techniques of citizen engagement and forging effective mechanisms for NGO-government interaction.

9. Youth Initiative for the Promotion of Peace (YIPP)
Partner: International Research and Exchanges Board (IREX)
Project Dates: September 2007 – September 2010
Location: North Caucasus
Description: This project aims to reduce the potential for violent conflict in the North Caucasus through youth leadership, intercultural communication, and youth employment. The YIPP project works to create opportunities for intercultural relations between young people (aged 15-25) in order to improve communication and cultural understanding between different communities. Activities support youth community leaders to advance community development goals and improve the professional and life skills of the young people. The project also fosters the development of employment networks and works to improves access to information.

10. Community Development Support Program (CDSP)
Partner: Fund for Sustainable Development (FSD)
Project Dates: July 2006 – March 2011
Location: Chechnya, Dagestan, North Ossetia-Alania, Stavropol Krai
Description: This is part of a nationwide project to develop civil society and encourage broad participation in solving urgent social, economic, environmental and public health issues at regional and municipal levels. The project contributes to improving social, economic and environmental living conditions in Russian cities and towns by improving local resource management, local governance, public health, and energy efficiency.

ANNEX C

U.S. Agency for International Development

PART I

CERTIFICATIONS AND ASSURANCES

1. ASSURANCE OF COMPLIANCE WITH LAWS AND REGULATIONS GOVERNING NON-DISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

(a) The recipient hereby assures that no person in the United States shall, on the bases set forth below, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any program or activity receiving financial assistance from USAID, and that with respect to the grant for which application is being made, it will comply with the requirements of:

(1) Title VI of the Civil Rights Act of'1964 (Pub. L. 88-352, 42 U.S.C. 2000-d) , which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance;

(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance;

(3) The Age Discrimination Act of 1975, as amended (Pub. L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds;

(4) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and

(5) USAID regulations implementing the above nondiscrimination laws set forth in Chapter II of Title 22 of the Code of Federal Regulations.

(b) If the recipient is an institution of higher education, the Assurances given herein extend to admission practices and to all other practices relating to the treatment of students or clients of the institution, or relating to the opportunity to participate in the provision of services or other benefits to such individuals, and shall be applicable to the entire institution unless the recipient establishes to the satisfaction of the USAID Administrator that the institution's practices in designated parts or programs of the institution will in no way affect its practices in the program of the institution for which financial assistance is sought, or the beneficiaries of, or participants in, such programs.

(c) This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the recipient by the Agency, including installment payments after such date on account of applications for Federal financial assistance which was approved before such date. The recipient recognizes and agrees that such Federal £financial assistance will be extended in reliance on the representations and agreements made in this Assurance, and that the United States shall have the right to seek judicial enforcement of this Assurance. This Assurance is binding on the recipient, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this Assurance on behalf of the recipient.

Signed:_______________________________________ Date: ______________________
(Typed Name and Title)

2. <u>CERTIFICATION REGARDING LOBBYING</u>

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the
undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the
award documents for all sub awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that: If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signed: ________________________________ **Date:** ______________________
(Typed Name and Title)

3. CERTIFICATION REGARDING TERRORIST FINANCING

By signing and submitting this application, the prospective recipient provides the certification set out below:

1. The Recipient, to the best of its current knowledge, did not provide, within the previous ten years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts, as that term is defined in paragraph 3.

2. The following steps may enable the Recipient to comply with its obligations under paragraph 1:

   a. Before providing any material support or resources to an individual or entity, the Recipient will verify that the individual or entity does not (i) appear on the master list of Specially Designated Nationals and Blocked Persons, which list is maintained by the U.S. Treasury's Office of Foreign Assets Control (OFAC) and is available online at OFAC's website: http://www.treas.gov/offices/eotffc/ofac/sdn/t11sdn.pdf, or (ii) is not included in any supplementary information concerning prohibited individuals or entities that may be provided by USAID to the Recipient.

   b. Before providing any material support or resources to an individual or entity, the Recipient also will verify that the individual or entity has not been designated by the United Nations Security (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Usama bin Laden, or the Al Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, the Recipient should refer to the consolidated list available online at the Committee's website: http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm.

c. Before providing any material support or resources to an individual or entity, the Recipient will consider all information about that individual or entity of which it is aware and all public information that is reasonably available to it or of which it should be aware.

d. The Recipient also will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.

3. For purposes of this Certification-

a. "Material support and resources" means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials."

b. "Terrorist act" means-

(i) an act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site: http://untreaty.un.org/English/Terrorism.asp); or

(ii) an act of premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents; or

(iii) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.

c. "Entity" means a partnership, association, corporation, or other organization, group or subgroup.

d. References in this Certification to the provision of material support and resources shall not be deemed to include the furnishing of USAID funds or USAID-financed commodities to the ultimate beneficiaries of USAID assistance, such as recipients of food, medical care, micro-enterprise loans, shelter, etc., unless the Recipient has reason to believe that one or more of these beneficiaries commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

e. The Recipient's obligations under paragraph 1 are not applicable to the procurement of goods and/or services by the Recipient that are acquired in the ordinary course of business through contract or purchase, e.g., utilities, rents, office supplies, gasoline, etc., unless the Recipient has reason to believe that a vendor or supplier of such goods and services commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for unilateral termination of the agreement by USAID prior to the end of its term.

Signed: ___________________________________ **Date:** _____________________

(Typed Name and Title)

4. CERTIFICATION OF RECIPIENT

The recipient certifies to the best of its knowledge and belief all of the above and that it has reviewed and is familiar with the proposed grant format and the provisions and regulations applicable thereto, and that it agrees to comply with all such regulations, except as noted below (use a continuation page as necessary):

As applicable:

Grant/Agreement No.:____

Solicitation No.:____

Application/Proposal No.:____

Date of Application/Proposal:____

Name of Recipient:____

Typed Name and Title:____

Signature:______________________

Date:______________________

PART II

OTHER STATEMENTS OF RECIPIENT

1. AUTHORIZED INDIVIDUALS

The recipient represents that the following persons are authorized to negotiate on its behalf with the Government and to bind the recipient in connection with this application or grant:

Name	Title	Telephone Number	Facsimile Number

2. TAXPAYER IDENTIFICATION NUMBER (TIN)

If the recipient is a U.S. organization, or a foreign organization which has income effectively connected with the conduct of activities in the U.S. or has an office or a place of business or a fiscal paying agent in the U.S., please indicate the applicant's/grantee's TIN:

TIN: _______________

3. CONTRACTOR IDENTIFICATION NUMBER -DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER

(a) In the space provided at the end of this provision, the recipient should supply the Data Universal Numbering System (DUNS) number applicable to that name and address. Recipients should take care to report the number that identifies the recipient's name and address exactly as stated in the proposal.

(b) The DUNS is a 9-digit number assigned by Dun and Bradstreet Information Services. If the recipient does not have a DUNS number, the recipient should call Dun and Bradstreet directly at 1- 800-333-0505. A DUNS number will be provided immediately by telephone at no charge to the recipient. The recipient should be prepared to provide the following information:

(1) Recipient's name.

(2) Recipient's address.
(3) Recipient's telephone number.
(4) Line of business.
(5) Chief executive officer/key manager.
(6) Date the organization was started.
(7) Number of people employed by the recipient.
(8) Company affiliation.

(c) Recipients located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet Horne Page at http://www.dbisna.com/dbis/customer/custlist.htm. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at globalinfo@dbisma.com.

The DUNS system is distinct from the Federal Taxpayer Identification Number (TIN) system.

DUNS: ______________________________

4. LETTER OF CREDIT (LOC) NUMBER

If the recipient has an existing Letter of Credit (LOC) with USAID, please indicate the LOC number.

LOC: ___________________________________

5. TYPE OF ORGANIZATION

The recipient, by checking the applicable box, represents that -

(a) If the recipient is a U.S. entity, it operates as [ ] a corporation incorporated under the laws of the State of ____, [ ] an individual [ ] a partnership, [ ] a non-governmental nonprofit organization, [ ] a state or local governmental organization, [ ] a private college or university, [ ] a public college or university, [ ] an international organization, or [ ] a joint venture; or

(b) If the recipient is a U.S. entity, it [ ] is, [ ] is not a Gray Amendment entity, as defined below.

(c) If the recipient is a Gray Amendment Entity, it is [ ] a business concerns (as defined in 48 CFR 19.001) owned and controlled by socially and economically disadvantaged individuals (as defined in 48 CFR 726.101), [ ] an institution designated by the Secretary of Education, pursuant to 34 CFR 608.2, as a historically black college or university (HBCU) , [ ] a college or university having a student body in which more than 40% of the students are Hispanic American, or [ ] a private voluntary organization which is controlled by individuals who are socially and economically disadvantaged (as defined in 48 CFR 726.101).

(d) If the recipient is a non-U.S. entity, it operates as [ ] a corporation organized under the laws of ____ (country), [ ] an individual, [ ] a partnership, [ ] a nongovernmental nonprofit organization, [ ] a nongovernmental educational institution, [ ] a governmental organization, [ ] an international organization, or [ ] a joint venture.

6. PAST PERFORMANCE REFERENCES

On a continuation page, please provide a list of the ten most current U.S. Government and/or privately-funded contracts, grants, cooperative agreements, etc., and the name, address, and telephone number of the Contract/Grant Officer or other contact person.

7. OMB CIRCULAR A-133 OR SIMILAR AUDITS

If applicable, please provide the date of your most recent A-133 or similar audit, including findings and results of such audits.

8. ESTIMATED COSTS OF COMMUNICATIONS PRODUCTS

The following are the estimate(s) of the cost of each separate communications product (i.e., any printed material [other than non-color photocopy material], photographic services, or video production services) which is anticipated under the grant. Each estimate must include all the costs associated with preparation and execution of the product. Use a continuation page as necessary.

9. PROCUREMENT INFORMATION

(a) Applicability. This applies to the procurement of goods and services planned by the recipient (i.e., contracts, purchase orders, etc.) from a supplier of goods or services for the direct use or benefit of the recipient in conducting the program supported by the grant, and not to assistance provided by the recipient (i.e., a sub-grant or sub-agreement) to a sub-grantee or sub-recipient in support of the sub-grantee's or sub recipient's program. Provision by the recipient of the requested information does not, in and of itself, constitute USAID approval.

(b) Amount of Procurement. Please indicate the total estimated dollar amount of goods and services which the recipient plans to purchase under the grant: $_______________

(c) Nonexpendable Property. If the recipient plans to purchase nonexpendable equipment, which would require the approval of the Grant Officer, please indicate below (using a continuation page, as necessary) the types, quantities of each, and estimated unit costs. Non-expendable equipment for which the Grant Officer's approval to purchase is required is any article of nonexpendable tangible personal property charged directly to the grant. having a useful life of more than one year and an acquisition cost of $5,000 or more per unit.

Type/Description (Generic)	Quantity	Estimated Unit Cost

(d) Source, Origin, and Component of Goods. If the recipient plans to purchase any goods/commodities which are not of U.S. source and/or U.S. origin, and/or does not contain at least 50% component entry which are not at least 50% U.S. source and origin, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, and probable source and/or origin, to include the probable source and/or origin of the components if less than 50% U.S. components will be contained in the commodity. "Source" means the country from which a commodity is shipped to the cooperating country or the cooperating country itself if the commodity is located therein at the time of purchase. However, where a commodity is shipped from a free port or bonded warehouse in the form in which received therein, "source" means the country from which the commodity was shipped to the free port or bonded warehouse. Any commodity whose source is a non-Free World country is ineligible for USAID financing. The "origin" of a commodity is the country or area in which a commodity is mined, grown, or produced. A commodity is produced when, through manufacturing, processing, or substantial and major assembling of components, a commercially recognized new commodity results, which is substantially different in basic characteristics or in purpose or utility from its components. Merely packaging various items together for a particular procurement or relabeling items does not constitute production of a commodity. Any commodity whose origin is a non-Free World country is ineligible for USAID financing. "Components" are the goods which go directly into the production of a produced commodity. Any component from a non-Free World country makes the commodity ineligible for USAID financing.

Type/Description (Generic) Components	Estimated Quantity	Probable Unit Cost	Source of Goods	Probable Components	Origin of Goods

(e) Restricted Goods. If the recipient plans to purchase any restricted goods, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, intended use, and probable source and/or origin. Restricted goods are Agricultural Commodities, Motor Vehicles, Pharmaceuticals, Pesticides, Rubber Compounding Chemicals and Plasticizers, Used Equipment, U.S. Government-Owned Excess Property, and Fertilizer.

Type/Description (Generic)	Estimated Quantity	Probable Unit Cost	Intended Use	Probable Source	Origin

(f) Supplier Nationality. If the recipient plans to purchase any goods or services from suppliers of goods and services whose nationality is not in the U.S., please indicate below (using a continuation page, as necessary) the types and quantities of each good or service, estimated costs of each, probable nationality of each non-U.S. supplier of each good or service, and the rationale for purchasing from a non-U.S. supplier. Any supplier whose nationality is a non-Free World country is ineligible for USAID financing.

Type/Description (Generic)	Estimated Quantity	Probable Unit Cost	Supplier Nationality (Non-U.S. Only)	Rationale for Non-U.S.

(g) Proposed Disposition. If the recipient plans to purchase any nonexpendable equipment with a unit acquisition cost of $5,000 or more, please indicate below (using a continuation page, as necessary) the proposed disposition of each such item. Generally, the recipient may either retain the property for other uses and make compensation to USAID (computed by applying the percentage of federal participation in the cost of the original program to the current fair market value of the property), or sell the property and reimburse USAID an amount computed by applying to the sales proceeds the percentage of federal participation in the cost of the original program (except that the recipient may deduct from the federal share $500 or 10% of the proceeds, whichever is greater, for selling and handling expenses), or donate the property to a host country institution, or otherwise dispose of the property as instructed by USAID.

Type/Description (Generic)	Quantity	Estimated Unit Cost	Proposed Disposition

- END OF CERTIFICATIONS, ASSURANCES AND OTHER STATEMENTS OF RECIPIENT -

ANNEX D

SURVEY ON ENSURING EQUAL OPPORTUNITY FOR APPLICANTS

Applicability: All RFA's must include the Survey on Ensuring Equal Opportunity for Applicants as an attachment to the RFA package. Applicants under unsolicited applications are also to be provided the survey. (*While inclusion of the survey by Agreement Officers in RFA packages is required, the applicant's completion of the survey is voluntary, and must not be a requirement of the RFA. The absence of a completed survey in an application may not be a basis upon which the application is determined incomplete or non-responsive. Applicants who volunteer to complete and submit the survey under a competitive or non-competitive action are instructed within the text of the survey to submit it as part of the application process*.)

PLEASE REFER TO AAPD 04-08 - "Ensuring Equal Opportunity for Faith-Based and Community Organizations" At The Following Website:

http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd04_08.pdf