



USAID | WEST AFRICA

FROM THE AMERICAN PEOPLE

NOTICE OF FUNDING OPPORTUNITY (NOFO) NUMBER 72062418APS00003

Issue Date: Thursday, February 20, 2020

Amended Closing Date: Monday, August 03, 2020

Closing Time: 14:00 hours Accra, Ghana Local Time

Subject: 7200AA19APS00007 APS Addendum #3- Amendment Number 001

Program Title: CALL FOR LOCALLY LED DEVELOPMENT CONCEPTS ON BUILDING EFFECTIVE, RELIABLE, AND SUSTAINABLE PRIVATE SECTOR ASSOCIATIONS IN WEST AFRICA

Ladies/Gentlemen:

The purpose of this Amendment No. 001 is to extend the closing date of APS Addendum #3. Changes are highlighted in attached annex-APS Addendum#3. All questions received from potential applicants with respect to this APS Addendum will be answered in a subsequent amendment. Please do not resubmit a concept paper if your organization has already submitted one.

Except as clarified herein, all requirements of the subject APS Addendum #3 “Call For Locally Led Development Concepts On Building Effective, Reliable, And Sustainable Private Sector Associations in West Africa issued on Thursday, February 20, 2020. remain unchanged.

Thank you for your interest in USAID programs.

Sincerely,

Karla Camp

Karla Camp
Regional Agreement Officer



USAID | WEST AFRICA

FROM THE AMERICAN PEOPLE

ANNOUNCEMENT

CALL FOR LOCALLY LED DEVELOPMENT CONCEPTS ON BUILDING EFFECTIVE, RELIABLE, AND SUSTAINABLE PRIVATE SECTOR ASSOCIATIONS IN WEST AFRICA

ADDENDUM #3 TO

LOCALLY LED DEVELOPMENT ANNUAL PROGRAM STATEMENT

APS No.: 7200AA19APS00007-Amendment Number 001

APPLICANTS - PLEASE NOTE: This is an addendum to an existing announcement. All interested organizations must carefully review both this addendum AND the full announcement, which can be found here: <https://www.grants.gov/web/grants/view-opportunity.html?opId=314757>
Important information contained in the full worldwide announcement is not repeated in this specific addendum.

This program is authorized in accordance with the Foreign Assistance Act of 1961, as amended.

Through this Addendum to the Locally Led Development Annual Program Statement (APS) No. 7200AA19APS00007 USAID/West Africa (WA) is making a special call to local actors for the submission of concepts focused on the USAID/West Africa [Local Works](#) Activity, Building Effective, Reliable, and Sustainable Private Sector Associations in **West Africa**. The deadline for concept submissions is **August 03, 2020**. Concepts are to be sent to USAID/WA to **Nana Derby at the email address nderby@usaid.gov with a copy to Karla Camp at kcamp@usaid.gov.**

USAID is committed to helping its partner countries achieve self-reliance and ensuring that U.S. taxpayer investments produce sustainable, long-term development outcomes. Strengthening the effectiveness and agency of local, national, and regional private sector associations can play an active role in achieving self-reliance across multiple sectors. Locally owned development allows local actors the ability to prioritize, resource, implement, and make decisions regarding activities that meet their objectives and are sustained over time without donor assistance. With the typical grants/training interventions, USAID and other donors have caused these organizations to shift their priorities to attract donor funding versus appropriately representing the evolving needs of their membership.

USAID/WA anticipates making up to three awards under this addendum. Total award amounts will range between \$500,000 and \$2,500,000. Awards will provide support to local, national, and/or regional private sector associations through sub-grants ranging from \$10,000 to

\$200,000 inclusive of all areas of support. The number of sub-grants is still to be determined, and USAID reserves the right to increase the ceiling of any sub-grants based on need.

Unless otherwise stated herein, all terms and conditions of the Locally Led Development APS apply (<https://www.grants.gov/web/grants/view-opportunity.html?oppId=314757>).

Section 1: Background

Research indicates the use of local solutions is critical for promoting sustainability of U.S. investments in partner countries. USAID is now focused on working with new and underutilized partners, especially the private sector and local actors, to support and help finance the journey to self-reliance via direct assistance.

Over the past decade, USAID/WA has worked to establish or support several private sector associations organized around specific sectors, commodities or issue areas. One area that has not been sufficiently prioritized has been organizational capacity and management for these associations to be member-driven and financially self-reliant to sustain their core operations.

With the typical grants/training interventions, USAID and other donors have caused these organizations to shift their priorities to attract donor funding versus appropriately representing the evolving needs of their membership. Many of these associations have become project implementers for donors, establishing new positions and compensation policies. Often these expenses cannot be supported through locally mobilized resources such as member dues or fees for goods and services. USAID-initiated and donor-funded organizations have also often been developed with ineffective governance and management structures. Rather than focusing on sustainable strategies to support member driven needs through smart growth, donor-funded organizations make decisions based on the expectation of continued donor funding.

USAID/WA has identified the following priority issue areas facing associations in the region: access to finance, input supply, marketing, production and technology, and capacity strengthening. This Local Works activity will look to pilot activities that address the above issues with the goal of increased sustainability and commercial viability of private sector associations. Activities may include any locally owned solution that has the potential to increase an association's commercial viability, long-term sustainability, or ability to meet the evolving needs of its members. This requires the development and implementation of a learning agenda that captures the continuous learning and adaptation that will happen over the course of the activity in order to build a knowledge base on building sustainable private sector associations in West Africa is required.

Section 2: Objectives

USAID/WA seeks to solicit submissions addressing the above issues to enter into a co-creation phase. Through the co-creation process USAID will make up to three awards. Up to two awards will be focused on improving the capacity and performance of regional and national associations to be sustainable, member-driven and market-oriented organizations (A.) or addressing financial gaps and financial sustainability of private sector associations (B.). These awards will prioritize

increasing member engagement and economic participation in private associations to ensure long-term financial viability.

The third award (C.), will ensure the utilization of monitoring, learning and evaluation to build the evidence base for best practice in developing sustainable, efficient and effective private sector associations that are multi country, transboundary and/or regional in nature (i.e. the awardee will collect, analyze and disseminate important data and information on how to build successful private sector associations that challenge donor dependence.)

Submissions should address one or more of the following objectives:

A. Improve capacity and performance of regional and national associations to be sustainable, member-driven and market-oriented organizations

Submissions should offer consulting (i.e., advocacy, organizational, ICT, etc.), training and capacity building, technology and knowledge exchange, legal framework and policy reform, or other solutions to address one or more of the following challenges identified by West African associations:

- Financial instability and/or inability to mobilize local resources
- Weak market linkages
- Poor management capacity of associations
- Donor dependency at the association level
- Poor quality services provided to members
- Low engagement and participation of members

Submissions that address challenges not identified above are welcome and should include a clear explanation of how addressing those challenges will promote sustainable private sector associations.

Submission should clearly outline how the following areas will be addressed in order to build holistic interventions that will lead to self-reliant associations:

- Mindsets - building an entrepreneurial culture within the private sector associations so they can mobilize member funds through value added services that allow them to grow and become increasingly relevant in their sectors. This could include promoting innovative partnerships, financing models, member mobilization strategies, etc.
- Skills - providing private associations with needed capacity development and support in traditional technical skills such as financial management and human resources, as well as organizational abilities required to effectively operate within a broader context, such as an ability to build and work with networks, respond to constituent needs and adapt to changing circumstances.

- Knowledge - developing feedback loops that ensure associations are kept informed of the changing needs of their members, creating knowledge management systems to capture data and information relevant to member needs and interests, and creating linkages with other relevant actors in order to build innovation platforms for co-creation and collaboration.

The approach should clearly outline how the aforementioned are being considered and the solutions being offered in the concept paper.

B. Address financial gaps and financial sustainability of private sector associations

Access to or ability to mobilize financial resources is one of the biggest challenges facing private sector associations in West Africa. USAID is seeking services to address this challenge by working with associations to think critically about long-term sustainability. For example, there are certain short-term expenses (i.e., consulting fees or capital) that, if provided, could allow associations to develop other revenue generating opportunities that can increase the bottom-line of the association. Generating revenue is one approach to improve the possibility of financial sustainability. Other options that focus on membership mobilization and collection of regular dues can also enhance sustainability over the long-term. Applicants should offer locally appropriate solutions for resource mobilization that improve the sustainability of private sector associations.

C. Build the evidence base for best practice in developing sustainable, private associations that are multi country, transboundary and/or regional in nature

Submissions should include a discussion of how they plan to collect, analyze and disseminate important data and information on the learning priority areas outlined, in order to build efficient and sustainable private sector associations based on the ongoing activities. Furthermore, applicants should specify how they would work across geographic and language barriers in order to ensure adaptive mechanisms are employed to support changes in the implementation of an activity based on the findings of the research. Below are some examples or possible areas of focus:

- Exchanges and learning among regional associations on how best to improve membership, services, communications, and fundraising and financial viability
- Learning among donors (potentially development of guidelines) and other partners on how best to support associations, including innovative approaches to incentivizing financial self-reliance and partnering without creating donor dependency
- Documentation of best practices in ecosystem driven capacity development and development of better indicators to measure maturation of associations to capture progress towards financial self-reliance and local ownership. Submissions should look beyond traditional tools such as the Organizational Capacity Assessment Tool (OCAT). Submissions may consider tools such as the PACT Organizational Performance Index (OPI), which measures the ability of organizations to achieve

their objectives and satisfy their constituents, or tools that measure the ability of organizations to adapt to contextual shifts (adaptive capacity).

- Potential learning between regional associations and more developed similar “sister” associations in the U.S., other parts of Africa, or elsewhere
- Mapping how various associations execute specific functions (i.e., communicate information, identify new/upcoming trends in the industry, share best practice, iterate in the face of external factors, etc.) in order to identify if there is some set of enabling/disabling factors that categorize “types” of associations

Local actors are **not** required to propose a fully designed activity for this addendum -- a concept that suggests a process to identify and then act on solutions from the local context is fully within the intent of the Locally Led Development APS.

Section 3: Minimum Requirements for Concept Submissions

Applicant Eligibility

Eligible applicants:

1. Must be local actors in countries within the Economic Community of West African States (ECOWAS). When determining if an entity is a “local actor” for the purposes of this APS, USAID will consider:
 - a. Whether the entity is legally organized under the laws of an ECOWAS member state;
 - b. Whether the entity has its principal place of business or operations in an ECOWAS member state;
 - c. Whether the entity is majority owned and controlled by individuals who are citizens or lawful permanent residents of an ECOWAS member state;
 - d. Whether the entity is managed by a governing body, the majority of whom are citizens or lawful permanent residents of an ECOWAS member state; and
 - e. Whether the entity has projects, offices, and/or registration in other countries, and whether key management decisions are taken by the office located in an ECOWAS member state or elsewhere.
2. Cannot have received more than \$5 million in direct funding from USAID in the past five years.
3. Cannot be a U.S.-based organization. U.S.-based organizations are not eligible as prime awardees under this APS.

Learning Priorities

Concepts must incorporate **at least one** of the following learning priorities:

1. **Feedback Mechanisms** to ensure that information flows in various directions among local actors, partners, and USAID to improve program effectiveness and sustainability.
2. **Systems-and-Networks-Based Analytical Approaches**, which may allow us to better understand the complex environments in which we operate.
3. **Participatory Decision-Making**, which includes locally led priority-setting, collaborative design, and other means of devolving control and ensuring inclusive local leadership.

4. **Strengthening Local Networks** to connect local needs with local resources.
5. **Local Ownership Approaches to Design, Monitoring, Evaluation, and Learning** that prioritize local definitions of success.
6. **Supporting Strategic Transitions**, which includes strengthening the role of local institutions and actors to sustain outcomes without foreign assistance.

Local Resources

USAID will require a cost share arrangement with the recipient of at least 10 percent. The cost share may be provided directly by the recipient; other partners; host governments; and/or local organizations, communities and private businesses that contribute financially and/or in-kind to the implementation of activities. This may include contribution of staff level of effort, office space, and/or other facilities or equipment that may be used for the activity. The cost share requirement is intended to show the recipient's commitment to the overall program being implemented and should demonstrate how they will further the sustainability of the program/association after the USAID funding has ended. The amount or percent of the cost share will be discussed during the co-creation stage. Potential awardees should include an initial plan for cost share in their concept submissions and be prepared with applicable information during co-creation.

Award Amount Considerations for Self-Reliance

As part of their concept submissions, Applicants must propose a budget that reasonably reflects their existing resources and capacity to grow and provide justification of this. It is not USAID's intention to temporarily flood a local organization with funding that artificially expands its size beyond what can reasonably be sustained through local resources after an award ends.

Section 4: Merit Review Criteria

Concepts meeting the minimum requirements will be evaluated based on the criteria below:

Merit Review Criteria

A. Local Ownership, Leadership, and Relevance to Local Priorities

The Applicant demonstrates a strong understanding of the local context and is transparent, accountable, and responsive to the people they serve. The proposed approach substantively responds to local priorities or demonstrates a way to determine local priorities before beginning implementation. The proposed approach and any teaming arrangements effectively shift the locus of development priority setting and response to local actors.

B. Development Impact

The proposed approach aligns with objectives set forth in the OU-issued addendum and demonstrates a clear theory of change leading to anticipated outputs, outcomes, results, and impacts. The proposed approach integrates issues of gender equality and female empowerment through program design, implementation, and staffing in accordance with USAID's Gender Equality and Female Empowerment Policy.

C. Learning

E3/LS is very committed to enabling and sharing learning that advances the practice of locally led development for USAID, local partners, and the development community. The Applicant demonstrates an understanding of the proposed learning priority(ies) and how utilizing learning related to the priority(ies) will advance the overall goals of their approach. The Applicant demonstrates a commitment to flexibility, learning, and adaptive management in response to shifting realities as they carry out the proposed approach.

D. Strengthening Local Systems

USAID's investment in this work is expected to contribute to local resources strengthening and greater country self-reliance. The approach itself strengthens a local system within a country or region to sustain a development result over time. The outcomes, results, and impacts, as well as any activities that need to continue beyond the duration of a USAID award, will be sustainable without continued USAID funding or involvement after the award ends.

Proposed concepts must be consistent with USAID legal and policy restrictions, including those set forth in USAID's Automated Directives System and in the Foreign Assistance Act of 1961.

While merit criteria are paramount, cost considerations may also be a factor for award. The U.S. Government is not obligated to make an award on the basis of lowest proposed cost or to the Applicant with the highest merit evaluation score.

Section 5: Concept Format and Submission Instructions

Concepts are to be sent to USAID/West Africa to **Nana Derby at the email address nderby@usaid.gov with a copy to Karla Camp at kcamp@usaid.gov**. Concepts must be submitted by **April 30, 2020** to be considered.

Concepts must be submitted in one of the following formats:

- A concept paper not exceeding five pages in total length
- A slide deck not exceeding 10 slides
- A video presentation, not to exceed 6 minutes which includes a transcription/translation/subtitles of audio in English or French

Concepts may be submitted in English or French.

Applicants must provide the following information in concept submissions:

A. SUMMARY INFORMATION

A. Name and contact information of Applicant

B. Organization type and country of legal registration

C. Certification that the Applicant has not received more than \$5 million from USAID in the past five years

D. Title of proposed activity

E. Location of proposed activity

F. Name, contact information, and country of legal registration for other partner organizations collaborating on concept (if any)

G. Name of the USAID OU to which this application is submitted

H. Overall objective of activity (1-2 sentences)

I. Brief description of the learning priority(ies) included in the proposed activity (1-2 sentences)

J. Brief description of the approach to local resources included in the proposed activity (1-2 sentences)

K. Amount of funding requested from USAID \$ _____

L. Explanation of how the requested funding amount reasonably reflects the organization's existing resources and capacity to grow

B. NARRATIVE DESCRIPTION

Successful narrative descriptions will include a discussion of the components below. Please note that each component aligns with a specific merit review criterion.

Local Ownership, Leadership, and Relevance to Local Priorities:

- What is the development challenge the concept addresses?
- How do local people experience the challenge, and what is important to them? How do you know?
- What is the proposed approach?
- How will local actors lead priority setting and response?
- How will any partners be involved in the approach?

Development Impact:

- How does the approach align with the addendum objectives?
- What is the theory of change?
- How does the approach integrate gender equality and female empowerment?

Learning:

- How will the approach enable and share learning to advance the practice of locally led development? What are the specific learning priority(ies)?

- How will focusing on the priority(ies) advance the overall goals of the approach?
- When realities shift in the local context, how will the approach adapt?

Strengthening Local Systems

- How does the approach contribute to local resources strengthening and greater country self-reliance?
- How does the approach strengthen a local system within a country or region to sustain a development result over time?
- How will the outcomes, results, and impacts, as well as any activities that need to continue beyond the duration of a USAID award, be sustainable without continued USAID funding or involvement after the award ends?

Section 6: Concept Review Process and Co-Creation

USAID/WA in collaboration with other engaged USAID Missions are responsible for the review process and management of any awards issued under this Addendum.

USAID/WA will confirm receipt of the concept within one week of submission.

If selected to co-create a full application with USAID/WA, the Applicant will be contacted by an Agreement Officer (AO) from USAID/WA and given a due date and template/instructions for the full application. Applicants not selected to advance will also be notified.

USAID/WA may also review all concept papers and decide to invite selected Applicants to enter a period of co-creation multi-stakeholder co-creation, in which they will collaborate on and refine approach(es) with one another. Individual Applicants and/or groupings of two or more Applicants will then submit full applications for consideration by USAID/WA.

Prior to submission of a full application, USAID/WA and the Applicant must have significant interaction in-person, via phone, and/or electronically to co-create the full application's programmatic approach.

The subsequent steps in the full application process and the award process can be found in Section 8: Concept Submission Instructions and Next Steps for Applicants of the Locally Led Development APS.

Section 7: Sharing of Concepts

If USAID identifies opportunities to strengthen or fund a concept or application by connecting it with other USAID mechanisms, other potential funders, and/or external partners, USAID may make that concept or application available internally or externally for appropriate consideration.

Section 8: Questions and Further Assistance

Questions regarding the substance and objectives of this addendum may be directed to Nana Derby at the email address nderby@usaid.gov with a copy to Karla Camp at kcamp@usaid.gov.

7200AA19APS00007 APS Addendum #3- Amendment Number 001

Questions regarding the substance and terms of the Locally Led Development APS may be directed to LLD-APS@usaid.gov.

For additional information regarding guidelines and procedures to submit a concept, please refer to the Locally Led Development APS, which can be found at the following website:
<https://www.grants.gov/web/grants/view-opportunity.html?oppld=314757>

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