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Issue Date: Tuesday, January 17, 2023
Deadline for Questions: Friday, January 27, 2023, 10 a.m. Nairobi time
NOFO Closing Date and Time: Tuesday, February 28, 2023, 10 a.m. Nairobi time

Subject: Notice of Funding Opportunity Number 72064923RFA00001 --- Amendment 1

Program Title: People-Centered Governance (PCG) Activity

Catalog of Federal Domestic Assistance (CFDA) Number: 98.001

Ladies/Gentlemen:

This amendment incorporates changes made in response to questions. The changes have been highlighted below for easy reference.

The United States Agency for International Development (USAID) Somalia is seeking applications for a Cooperative Agreement from qualified entities to implement the **People-Centered Governance (PCG) Activity**. Eligibility for this award is not restricted.

USAID intends to make one (1) award to the applicant who best meets the objectives of this funding opportunity based on the merit review criteria described in this NOFO subject to a risk assessment. Eligible parties interested in submitting an application are encouraged to read this NOFO thoroughly to understand the type of program sought, application submission requirements, and selection process. While one (1) award is anticipated as a result of this NOFO, USAID reserves the right to fund any or none of the applications submitted.

To be eligible for an award, the applicant must provide all information as required in this NOFO and meet eligibility standards in Section C of this NOFO. This funding opportunity is posted on www.grants.gov and may be amended. It is the responsibility of the applicant to regularly check the website to ensure they have the latest information pertaining to this notice of funding opportunity and to ensure that the NOFO has been received from the internet in its entirety. USAID bears no responsibility for data errors resulting from transmission or conversion processes. If you have difficulty registering on www.grants.gov or accessing the NOFO, please contact the Grants.gov Helpdesk at 1-800-518-4726 or via email at support@grants.gov for technical assistance.

USAID may not award to an applicant unless the applicant has complied with all applicable unique entity identifier and System for Award Management (SAM) requirements detailed in Section D.6.g. The registration process may take many weeks to complete. Therefore, applicants are encouraged to begin registration early in the process.

Please send any questions to the point(s) of contact identified in Section D. The deadline for questions is shown above. Responses to questions received prior to the deadline will be furnished to all potential applicants through an amendment to this notice posted to www.grants.gov.

Issuance of this notice of funding opportunity does not constitute an award commitment on the part of the Government, nor does it commit the Government to pay for any costs incurred in preparation or submission of comments/suggestions or an application. Applications are submitted at the risk of the applicant. All preparation and submission costs are at the applicant's expense.

Thank you for your interest in USAID programs.

Sincerely,

Digitally signed by Jesse Gutierrez
Date: 2023.02.07 16:37:02 +03'00'

Jesse Gutierrez
Agreement Officer
USAID / SOMALIA

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SECTION A: PROGRAM DESCRIPTION

This funding opportunity is authorized under the Foreign Assistance Act (FAA) of 1961, as amended. The resulting award will be subject to 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and USAID's supplement, 2 CFR 700, as well as the additional requirements found in Section F.

Note: The term "program," as used in 2 CFR 200 and this NOFO, is typically considered by USAID to be an Activity supporting one or more Project(s) pursuant to specific Development Objectives. Please see 2 CFR 700 for the USAID-specific definitions of the terms "Activity" and "Project" as used in the USAID context for purposes of planning, design, and implementation of USAID development assistance.

I. INTRODUCTION

The United States Agency for International Development's Mission in Somalia is seeking applications for the People-Centered Governance (PCG)[1] Activity to promote more effective and legitimate local governance in southern Somalia. This activity will support nascent local governance institutions that have struggled to adopt inclusive decision-making models, impartially manage resources and disputes, and deliver tangible results for citizens.

II. BACKGROUND AND PROBLEM ANALYSIS

Somalia has experienced a prolonged period of statelessness since the collapse of the Siad Barre regime in 1991. Numerous efforts have been made to revive the Somali state since then. The following section summarizes previous efforts to re-establish local-level governance, i.e., district councils[2], and identifies lessons learned.

A. UNOSOM (1993-1994)

After two years of armed conflict, banditry, and lawlessness, leaders of Somali military factions met in Addis Ababa for a peace conference. The subsequent 1993 Addis Ababa Agreement provided a framework for re-establishing district councils.[3] The Security Council mandated the United Nations Operations in Somalia (UNOSOM) to undertake this work. Between August 1993 and February 1994, UNOSOM established 56 district councils and trained more than 800 councilors. Concerns over this process soon emerged. Observers argued that UNOSOM formed the district councils hastily without understanding local political dynamics. Under considerable pressure, UNOSOM cut corners and granted recognition to deeply flawed and contested district

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[1] USAID/Somalia changed the name to emphasize that this activity ultimately seeks to transform the relationship between citizens and local governance institutions in southern Somalia.

[2] The lowest level administrative unit in Somalia. This term is inclusive of elected and/or appointed officials, and the various departments (administration and financial, social affairs, land and public affairs, etc.) and civil servants that support the district council.

[3] *Building the Peace: Experiences of Collaborative Peacebuilding in Somalia 1993-1996*. Wolfgang Heinrich. Life and Peace Institute. 1997.

councils, often excluding minority communities.[4] The time allotted to establishing, training, and provisioning the district councils was unrealistic and insufficient effort was dedicated to addressing existing inter-communal tensions before forming the new district councils.[5] Conflict subsequently broke out in many of the new district councils. UNOSOM abandoned the intervention in 1994. Traditional authorities and clan-based militias emerged in southern Somalia to deliver local governance until 2004[6].

B. Transitional Federal Government (2004-2012)

The United Nations Development Program (UNDP) and the United Nations Office for Project Services (UNOPS) attempted to re-establish district councils beginning in 2004. The District Based Peace Building Project (DBPB) sought to form district and regional councils within nine months. Once created, these district councils received support from the Community Based Peace Support (CBPS) Project, which trained council members and rehabilitated district offices. UNDP and UNOPS established district councils in Bay, Bakool, and Gedo regions. Progress stalled in Lower and Middle Shabelle, Lower and Middle Juba, and Hiran due in part to the emergence of the Islamic Courts Union (ICU) Even the district councils spared from the ICU rule collapsed or reverted to previous clan-based arrangements by 2009. UNDP and UNOPS eventually abandoned both projects.

The DBPB and CBPS projects encountered similar challenges to previous UNOSOM efforts. Observers found that both projects underestimated the extent to which state-building processes could reignite inter-communal conflict. In addition, neither project dedicated sufficient follow-on support to district councils established through these interventions[7].

C. Wadajir Framework (2016-Present)

Following the establishment of the Federal Government of Somalia (FGS) in 2012 and the emergence of Federal Member States (FMS) in Jubbaland (2013), Southwest (2014), and Hirshabelle (2016), attention returned to the re-establishment of district councils.

Recognizing that previous state-building efforts had been disjointed and externally driven, the FGS and FMS committed to playing a more active role and developed the standardized Wadajir Framework (WF) for establishing district councils. The framework envisions an 18-month process

[4] *Somali Land Resource Issues in Historical Perspective.* Lee V. Cassanelli, Learning from Somalia: The Lessons of Armed Humanitarian Intervention. Westview. 1997

[5] *Local Governance and Provision of Social Services: Lessons from Somalia*. Ken Menkhaus, Davidson College, 2002.

[6] *Authority and Administration Beyond the State: Local Governance in Southern Somalia, 1995-1996*. Jutta Bakonyi. Journal of East African Studies. 2013.

[7] *The District Based Peace and Reconciliation Project and the Community Based Peace Support Project: Final Evaluation Report*. Joakim Gundel. Katuni Consulting. October 2008.

for District Council Formation (DCF) and - unlike previous efforts - emphasizes initiating inter-communal reconciliation and power-sharing negotiations *prior* to forming new district councils.

The WF has endured across multiple presidential administrations and significantly improved upon previous state-building processes. Although the WF provides a roadmap for district formation, it does not address new councils' challenges once established. The seven district councils established in southern Somalia under the WF have been unable to mobilize sufficient resources to cover basic operating costs. They have struggled to deliver even modest benefits for citizens. Without additional support, there is a risk that these district councils will collapse again, eroding citizens' trust in local governance[8] and opening the door for the re-emergence of al-Shabaab rule.

D. Islamic Courts Union & Al-Shabaab (2000-Present)

The ICU emerged in 2000 in response to the lawlessness and banditry afflicting Somalia since 1991. Business elites seeking more predictable, fair, and cost-effective security and justice initially welcomed the ascendency of the ICU.[9] At times, the ICU and later al-Shabaab have achieved a degree of legitimacy that the Somali state has been unable to realize.[10] Al-Shabaab established parallel governance structures in southern Somalia, appointing governors, tax collectors, and judges.[11] Beyond security and justice, the social services that Al-Shabaab offers are limited to religious education, occasional loans, support to agropastoralists, and provision of modest emergency assistance.

Al-Shabaab initially positioned itself as 'clan neutral.' It gained support by offering communities protection from predatory clan, business, and state actors. Yet, the group has begun to lose its impartiality.[12] Al-Shabaab has increasingly used its political and military capabilities to favor one clan over another, which has diminished community support for the group.[13] Research undertaken in five districts in Middle and Lower Juba found that al-Shabaab extracts more resources from and offers fewer services to minority communities.[14] Al-Shabaab also has a mixed record in responding to disasters in southern Somalia. Evidence from the al-Shabaab's response to the 2011/12 famine

[8] Exploring Options for Political and Economic District Council Sustainability. Somalia Stability Fund. 2021.

[9] Negotiating Injustice: Mapping the Dynamics of Hybrid Order in Lower Shabelle. Expanding Access to Justice (EAJ). June 2021.

[10] Rivals in Governance: Civil Activities of Al-Shabaab. Roland Marchal. War and Peace in Somalia: National Grievances, Local Conflict and Al-Shabaab. 2018.

[11] Negotiating Injustice: Mapping the Dynamics of Hybrid Order in Lower Shabelle. Expanding Access to Justice (EAJ). June 2021.

[12] Ibid.

[13] Ibid..

[14] Al-Shabaab Governance in the Lower and Middle Jubba Regions of Somalia: Findings from the 2017 Somali Minorities Survey. Lindsay J. Benstead, Daniel Van Lehman and Andrew Tanner, Portland State University. May 27, 2019.

strongly suggests that the restrictions put in place by the group worsened the humanitarian crisis and eroded community support for al-Shabaab.[15]

E. Lessons Learned and Implications for Programming

Previous efforts reduced state-building to a purely technical exercise of providing basic equipment and training to new district councils.[16] District councils hastily established by external actors lacked legitimacy. These state-building processes provoked intense, often violent, political competition. The few district councils that did emerge from these processes collapsed due to a lack of resources and capacity.

Looking back at previous state-building interventions in Somalia, two key lessons emerge. First, efforts to re-establish and support new district councils must also repair state-citizen relations and rebuild trust between divided communities. Second, newly formed district councils are exceedingly fragile, quick to atrophy, and thus need immediate and sustained support.

Al-Shabaab has emerged as a credible alternative to the state in much of southern Somalia. Yet there is growing evidence that al-Shabaab has struggled to provide inclusive or responsive governance. Building on the lessons from two decades of programming, USAID's PCG Activity will partner with district councils to offer a credible alternative to the al-Shabaab rule.

III. TECHNICAL APPROACH

A. Theory of Change

While the Somali state has achieved important gains in recent years, the administrative capacity of local government is limited, and citizens are mistrustful of the state in southern Somalia. District councils are not perceived as fair or inclusive and struggle to perform basic functions that benefit citizens. PCG seeks to address this dynamic through the following theory of change:

If citizens perceive district councils as more fair and inclusive, and **if** citizens benefit from improved performance of district councils, **then** local government will be seen as more effective and legitimate, thus providing a more credible alternative to al-Shabaab rule.

This theory of change is informed by lessons learned from previous state-building interventions as well as from emerging literature on the social contract in Somalia.[17]

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[15] Famine in Somalia: Competing Imperatives Collective Failures, 2011-12. Daniel Maxwell and Nisar Majid. 2016.

[16] *State Failure, State-Building, and Prospects for a 'Functional Failed State' in Somalia*. Ken Menkhaus. Annals of American Academy of Political and Social Science. 2014.

[17] Understanding Somalia's Social Contract and State-Building Efforts: Consequences for Donor Interventions. Mathieu Cloutier, Hodan Hassan, Deborah Isser, Gaël Raballand. World Bank. April 2021.

Interventions under Intermediate Result 1 seek to enhance the *legitimacy* of the Somali state by supporting districts to manage resources and disputes better (sub-IR 1.1) and empower citizens to play a more active role in decision-making (sub-IR 1.2). Interventions under Intermediate Result 2 seek to improve the Somali state's performance - or *effectiveness* - by supporting districts to better respond to citizen priorities (sub-IR 2.1) and become more sustainable (sub-IR 2.2).

These results will contribute to the overall objective of promoting more effective and legitimate local governance that offers a credible alternative to al-Shabaab rule in southern Somalia.

B. Technical Approach

I. Target Districts

There are 44 districts in USAID's CDCS geographic focal zone. Thirty-five districts are currently under the nominal control of the Somali state. Yet in most cases, the state's authority does not extend far beyond key cities and towns. Nine CDCS districts are inaccessible and currently under the control of al-Shabaab. Seventeen districts are part of greater Mogadishu. Out of 44 CDCS districts, only seven have completed the DCF process under the WF. These districts are Bardaale, Barawe, Dinsoor, Hudur, and Wajid in South West State, Afmadow in Jubaland State, and Warksheikh in Hirshabelle State. DCF is ongoing in three additional districts: Balcad and Jowhar in Hirshabelle and Baardheere in Jubaland. The districts that have successfully completed DCF thus far are largely rural, have lower levels of economic activity, and have relatively homogeneous populations in clan / sub-clan diversity, making it easier to complete DCF.

Table 2. Status of DCF in CDCS geographic focal zone

FMS	**CDCS districts**	**Sub Category**			
		DCF Completed	**DCF Ongoing**	**Interim Admin.**	**Under AS Rule**
Benadir	17	0	0	17	0
Hirshabelle	4	1	2	1	0
Jubaland	8	1	1	2	4
South West State	15	5	0	5	5
Total	44	7	3	25	9

DCF has stalled in de facto state capitals (Baidoa, Kismayo, Jowhar) and inter-riverine districts with significant agricultural and economic potential (Afgoye, Wanlaweyne, and Marka). Political economy competition over resources in these districts is more acute. Attempts to establish more representative district councils via the WF have faced resistance in these districts.[18] In districts where DCF has stalled or not yet taken place, the FMS appoints interim leadership.

PCG will work with both categories of districts. Those 'established' districts that have completed the DCF process, and 'emerging' districts that have not undertaken DCF but have some level of interim or caretaker administration. The problem sets that PCG will encounter in each category are unique and distinct. Social cohesion is stronger in districts that have completed DCF according to the Fragility Index and Maturity Model (FIMM).[19] To build on gains from DCF, PCG will support established districts to become more responsive to citizen needs and help them develop strategies to self-sustain in the absence of external support. In emerging districts where competition over access to resources and political power is ongoing, PCG will start by rebuilding trust between citizens and the state, within and between communities themselves, and promote more inclusive decision-making at the district level.

II. Target District Selection Process

PCG will target districts in USAID's CDCS focal zone[20]. The selection of target districts will be based on the following criteria and finalized through the annual work planning process:

Non-negotiables:

1. Ability to access and work safely in the district.
2. District leadership demonstrates a commitment to principles of participation, inclusion, transparency, and accountability.

Other criteria:

3. Support to the district council consolidates gains from USAID and other donor-funded stabilization investments.
4. Multiplies the impact of USAID and other donor-funded development interventions, including the Mission's flagship education activity, Bar ama Baro (BAB) [21], and the economic resilience activity, Inclusive Resilience in Somalia (IRiS).
5. USAID guidance based on emergency needs and government priorities.

USAID anticipates working with <u>all</u> districts that have undertaken DCF in southern Somalia. This includes Afmadow, Bardaale, Barawe, Dinsoor, Hudur, Wajid, and Warksheikh. USAID expects

[18] Exploring Options for Political and Economic District Council Sustainability. Somalia Stability Fund. 2021.

[19] The FIMM is a tool developed by the Ministry of Interior, Federal Affairs and Reconciliation (MoIFAR) to assess district stability. Data is collected on a quarterly basis.

[20] USAID may expand PCG to other locations in southern Somalia, including Hiran, Hirshabelle and Galmudug based on emerging needs and government priorities.

[21] BaB is currently working in Afmadow, Bardaale, Barawe, Dinsoor and Warksheikh. USAID's previous stabilization investments have targeted Afmadow, Dinsor, Hudur, and Barawe.

to engage with other districts that complete DCF during the life of the activity. USAID may phase out support to district councils that have made meaningful progress against jointly agreed on performance benchmarks or discontinue support to districts that no longer meet the selection criteria. In consultation with USAID, the Recipient may refine the engagement and disengagement criteria in the annual work plan. While Baidoa, Kismayo, and Mogadishu are not priority districts, USAID may request PCG to expand to these districts if windows of opportunity emerge.

III. Sequencing and Layering

PCG will engage with districts in southern Somalia at different phases of the stabilization-to-development continuum. Other donor-funded stabilization interventions[22] work to establish the initial security and governance conditions in areas liberated from al-Shabaab rule, and this support generally continues up until DCF. PCG will sequence and layer with stabilization interventions to build upon gains and maintain support for reconciliation and state-building processes. Although PCG will not directly support DCF[23], it will ensure that districts in southern Somalia that complete the process receive immediate and sustained support.

The UN's Joint Program on Local Governance (JPLG) is one of the only programs providing 'post-DCF' support to district councils. Yet JPLG only deploys its full range of programming once districts have undertaken extensive planning and budgeting processes and established financial management systems - a process that can take years. This creates a gap in support for newly established councils. PCG will address this gap by intentionally supporting newly established district councils, providing a bridge to the more robust and long-term support envisioned under JPLG. PCG may engage with districts at any of the three phases of institutional development listed below. However, PCG will prioritize the post-DCF phase and a select number of districts in the pre-DCF phase to consolidate the gains achieved by TIS3 and other donor-funded stabilization efforts.

Table 3. Collaboration with other Programs

Phase	**Actors**	**Type of Collaboration**
Pre-DCF	TIS3, NIS, IOM	Engage in recovery and consolidation planning to ensure the needs of emerging districts are understood. Build upon investments of stabilization partners to promote improved social cohesion and support reconciliation processes through targeted interventions.

[22] Including USAID's TIS3, the Nordic International Support Foundation (NIS), and the International Organization for Migration (IOM).

[23] Organizations who are or plan to support DCF include Finnish Church Aid (FCA) and the Somalia Stability Fund (SSF) III.

DCF	FCA, SSF III	Closely monitor the DCF process in order to better understand district dynamics and address emerging capacity needs.
Post-DCF	JPLG	Provide immediate support to established districts, providing a bridge to JPLG programming.

IV. Contribution to USAID CDCS & Climate Strategy

PCG will contribute to Development Objective (DO1) of USAID's 2020-2025 CDCS for Somalia. DO1 supports broader U.S. Government efforts to counter violent extremism by improving the credibility and responsiveness of the Somali state. PCG will help citizens constructively-engage with district councils (CDCS sub-IR 1.1.1), promote more inclusive and responsive local governance (CDCS sub-IR 1.1.2 & 1.1.3), and strengthen informal conflict mitigation processes (CDCS sub-IR 1.3.1). The increasing frequency and severity of natural disasters in Somalia have destroyed livelihoods and increased the vulnerability of marginalized and minority communities to hunger, displacement, and violence[24]. PCG will support district councils to better prepare for and respond to disasters and identify durable solutions to growing IDP populations (CDCS sub-IR 2.1.1 & 2.2.2). USAID found that access to services is crucial to resilience capacity in Somalia[25]. PCG will also contribute to USAID's 2022-2030 Climate Strategy by supporting district councils in mobilizing funds to invest in renewable energy and climate-resilient infrastructure and expand services (public and private) to communities that are vulnerable to flooding and other climate risks.

V. Guiding Principles

The following principles will guide PCG:

1. **Political first, then technical:** Unresolved grievances over rushed and contested state-formation processes in southern Somalia have left new FMS' deeply divided. The lack of an inclusive and sustainable political settlement - i.e., agreement over how power and resources are shared - has stalled good governance reforms and created competition between federal, state, and local institutions. PCG will apply a 'thinking and working politically' lens to understand local systems[26] and incentives that drive behavior, and to identify potential spoilers and promising entry points for interventions. In-depth political economy and conflict analysis must precede and continue alongside all interventions.
2. **Slow, steady, and bespoke support:** Emerging and established district councils are fragile and have a limited administrative capacity to deliver basic functions. PCG will provide sustained support to district councils and tailor interventions to the local realities of each

[24] USAID Climate Strategy 2022-2030.

[25] Resilience in Somalia and Opportunities for Measurement Innovation for the Resilience Population-level Measurement Activity. Mercy Corps. 2022.

[26] Local Systems: A Framework for Supporting Sustained Development. USAID. April 2014.

district, avoiding a 'one-size-fits-all' approach. PCG will embed with and work alongside district councils to jointly identify challenges and propose contextually appropriate solutions in real-time through a co-creation process.

V. RESULTS TO BE ACHIEVED

The following section details specific results to be achieved under PCG. As part of the Technical Approach (Section D), Applicants will propose contextually appropriate, evidence-based and sequenced interventions and accompanying performance indicators that measure progress in achieving the Intermediate and sub-Intermediate Results listed below. These performance indicators will be further refined and improved during implementation following consultations with key stakeholders and beneficiaries. Applicants must propose ambitious yet realistic annual and life-of-project targets for each indicator. Baseline values and out-year targets may be reassessed in Year One in collaboration with USAID.

Intermediate Result 1: District councils are more fair and inclusive

Interventions under this Intermediate Result will support emerging and established districts to manage disputes and resources more fairly (sub-IR 1.1) and promote more inclusive decision-making processes. (sub-IR 1.2).

Sub-IR 1.1: District councils manage resources and disputes more fairly

Competition between clans over access to land and resources intensified during the collapse of the Somali state and the ensuing conflict. This protracted insecurity has divided cities and towns along clan lines and eroded trust between communities. The emergence of a federal model that associates particular geographic areas with specific clans further reinforced this dynamic[27]. Subsequent attempts to re-establish district councils in southern Somalia have triggered intense, often violent, zero-sum competition in which clans seek control over (or fear exclusion from) these new political units. The perception that certain communities benefit disproportionately from access to basic services, business opportunities, and government appointments erodes the legitimacy of these new bodies and fuels grievances. Al-Shabaab has sought to exploit these grievances.

Interventions under sub-IR 1.1 will promote more inclusive and equitable models of local governance by supporting district councils to manage resources and disputes. While citizens have low expectations of what the state should deliver, Somalis expect services to be distributed

[27] The Rupture of Territoriality and the Diminishing Relevance of Cross-cutting Ties in Somalia after 1990. Markus Virgil Hoehne. Development and Change. 2016.

equitably, regardless of who provided the service.[28] Yet minority and other marginalized communities have historically been unable to access public, private, or donor-delivered services[29]. Interventions under this sub-IR will support district councils to play a more active role in the coordination and oversight of service provision to ensure that these services are delivered transparently and equitably to all communities. Interventions could include supporting district councils to undertake mapping exercises to identify where services are not being provided, convene coordination meetings with service providers, develop minimum standards or regulations to improve service quality and availability, and facilitate public-private partnerships that expand services to underserved communities.

Decades of population displacement, military occupation, and land appropriation have undermined traditional mechanisms for managing competition over access to land and resources[30]. Interventions under sub-IR 1.1 will support district councils in better-managing disputes over land and resources. This could include strengthening dispute resolution institutions, mechanisms, and processes, upgrading capacity in local courts, and improving existing land administration and natural resource management systems. In districts where traditional forms of land and resource management exist and are perceived as credible, interventions under sub-IR 1.1 will strengthen linkages between district councils and these informal institutions.

Sub-IR 1.2: Increased participation of citizens in decision-making

Political processes in Somalia have been historically elite-driven, and citizens have not been given an opportunity to participate in a meaningful way.[31] This is compounded at the district level, where the lack of state presence has meant that citizens lacked a government to engage with. Since independence, minorities and marginalized communities have been excluded from social, economic, and political power.[32] The exclusion of large portions of the population from decision-making has fostered a set of grievances that have been exploited by Al-Shabaab.

Interventions under sub-IR 1.2 will empower citizens to play a more active role in public life and support district councils to create new opportunities for citizen participation. Given the significant trust deficit between Somali citizens and the state, interventions under sub-IR 1.2 will start by gradually rebuilding relationships between district officials and citizens. Interventions under this sub-IR will promote constructive state-citizen dialogue and create space for citizens to play a more

[28] *Lessons Learned on Al-Shabaab*. USAID/OTI. 2021.
[29] Commodified Cities: Urbanization and Public Goods in Somalia. Rift Valley Institute. 2020.
[30] Land Conflict in Somalia. Somalia Stability Fund. December 2021.
[31] The Constitutions of Somalia and Emergence of Federalism: A Retrospective. Ken Menkhaus and James Smith. October 2020.
[32] Negotiating Injustice: Mapping the Dynamics of Hybrid Order in Lower Shabelle. Expanding Access to Justice (EAJ). June 2021.

active and substantive role in the community planning processes envisioned under sub-IR 2.1. Interventions under this sub-IR must focus on communities perceived to have been excluded from (or underrepresented in) previous state or district council formation processes.

For interventions under this sub-IR, PCG must map existing civil society and faith-based organizations, media, and citizen accountability mechanisms at the district and sub-district level,[33] assess the functionality and inclusivity of these organizations/mechanisms, and propose solutions for making them more effective advocates for citizen interests. This support could include providing sub-grants, training, or mentorship to select organizations to help them better articulate citizens' needs and priorities and monitor district councils' performance. A number of these organizations have been ‘captured’ by local elites, biased towards certain clans,[34] or do not provide opportunities for the participation of minority or marginalized communities.[35] Interventions under this sub-IR must identify creative ways to make these organizations and mechanisms more inclusive.

Intermediate Result 2: Improved performance of district councils

Activities under this Intermediate Result will seek to improve how communities interact with and experience local government by ensuring that district councils are better able to tangibly respond to citizen priorities (sub-IR 2.1) and self-sustain themselves (sub-IR 2.2).

Sub-IR 2.1: Districts councils identify and respond to citizen priorities

The reach of the Somali state has not historically extended far beyond major cities and towns. Under the Siad Barre regime, District Commissioners were appointed from Mogadishu, reported directly to the capital, and were generally not seen as very active or responsive.[36] Despite a poor record of service delivery and limited revenue collection capabilities, the re-emergence of district councils has raised expectations, and citizens expect these new institutions to deliver. A recent UNDP study confirmed that district officials were reluctant to engage with citizens, as this would generate expectations that the district councils would not be able to fulfill.[37]

[33] This definition is inclusive and includes a list of both formal and informal citizen structures, including ‘user committees’, often established through previous donor programming, such as court user committees, parent-teacher associations, water committees, disaster management committees, peace and security committees, etc.
[34] Negotiating Injustice: Mapping the Dynamics of Hybrid Order in Lower Shabelle. Expanding Access to Justice (EAJ). June 2021.
[35] Education Sector Program Implementation Grant. Baseline Assessment. Consolient. January 2020.
[36] *Local Governance and Provision of Social Services: Lessons from Somalia*. Ken Menkhaus, Davidson College, 2002.
[37] *District Council Formation: Lessons Learned Study*. Final Report. Jusso Miettunen. Concilient. Somalia Stability Fund. July 2020.

Interventions under sub-IR 2.1 will support districts in developing practices and behaviors that solicit citizen input in decision-making and help district officials translate these priorities into tangible actions that can be repeated and sustained using existing resources. Interventions under this sub-IR will start by supporting district councils to expand citizen outreach and engagement. This could include facilitating constituency visits to outlying towns and villages, interactive media programming, and meetings with minority and marginalized communities. Interventions under this sub-IR seek to increase the visibility of the state and provide district officials an opportunity to solicit feedback to understand citizens' needs and priorities. This increased state-citizen engagement will help district officials set more realistic expectations of what citizens expect from these nascent bodies.

Previous donor-funded stabilization and governance interventions prioritized citizens who live near the district capital but generally neglected citizens from outlying villages. This has effectively excluded rural communities from district-level decision-making. Interventions under this sub-IR will support district councils in undertaking new community planning processes, or expanding existing ones to outlying villages, to increase the number of citizens able to voice priorities and concerns to district officials.

Interventions under sub-IR 2.2 will support district councils in better responding to the needs and priorities identified through community consultations and planning processes. PCG will provide a limited amount of grants and fund small-scale infrastructure construction projects prioritized by the community to generate quick wins and increase citizen confidence in the state. Conditional or performance-based grants could encourage district councils to be more responsive to the needs of communities that feel underrepresented in local government or excluded from previous state-building processes, communities in outlying villages, or incentivize community cost-share or co-financing from the private sector. Infrastructure construction projects must support districts in responding to community-identified priorities and expand upon or improve existing public services, including health, education, water and sanitation, disaster risk reduction, etc. PCG must dedicate funds that support districts in expanding services to marginalized communities.

Given the limited financial resources and administrative capacity of district councils, PCG must be selective about the functions it decides to support.[38] For interventions under this sub-IR, PCG must start by mapping out the modest, low-cost services already being delivered by district councils and seek to improve these service offerings. Interventions under this sub-IR could support district councils in establishing public-private partnerships to improve existing services or expand services to new communities. PCG must promote healthy competition between local governments by recognizing and rewarding the district councils that are most active, accountable, and committed to inclusive decision-making.

[38] Reflections on the Future Role of the State in Somalia. Gael Raballand, Andrew Fiebelkorn. Guenter Heidenhof and Kirk Schmidt. World Bank. 2020.

Sub-IR 2.2: District councils are more sustainable

Since independence, district councils have never been self-sustaining[39] and have relied almost exclusively on external support.[40] District councils face similar constraints today. The legal and policy framework for local governance in southern Somalia is incomplete. This lack of clarity encourages competition between different levels of government over revenue-raising and expenditure (service provision) responsibilities. Citizens continue to be taxed by both state and non-state actors. 9.5 percent of annual household income in Somalia goes towards informal taxes, higher than in neighboring Kenya (2.5 percent) and Ethiopia (6.8 percent).[41] Coercive revenue extraction from state and non-state actors, including Al-Shabaab, prevents district councils from collecting taxes and erodes confidence in the Somali state. Within this unfavorable environment, district councils need help to sustain operations and deliver tangible benefits for citizens.

Interventions under sub-IR 2.2 will support district councils in developing strategies to self-sustain in the absence of external support and seek to improve the enabling environment for local government. For interventions under sub-IR 2.2, PCG must partner with the Ministry of Interior, Federal Affairs and Reconciliation (MoIFAR) and FMS Ministries of Interior (MoI), Ministries of Planning and Economic Development (MoIPED), etc., to drive policy reforms. This support may include efforts to update the Wadajir Framework to meet current needs. Interventions under sub-IR 2.2 could partner with MoIFAR to review the Wadajir Framework and propose revisions to include a greater focus on post-DCF sustainability. Interventions under sub-IR 2.2 should help facilitate political agreement on state-level resource sharing and strengthen policy and legal frameworks that clarify revenue generation and expenditure responsibilities and intergovernmental fiscal transfers. An in-depth political economy analysis must precede this work to identify potential champions or roadblocks to reform. Interventions under this sub-IR must complement ongoing efforts to advance fiscal decentralization supported by JPLG, SSF, and the World Bank.

To be sustainable, district councils must find a way to mobilize resources. Fortunately, Somalis have an almost universal desire to be taxed solely by the Somali state.[42] Since district councils do not have a monopoly on tax collection, interventions under sub-IR 2.2 must start by discreetly mapping existing formal and informal taxation systems in each district and assessing how these

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[39] *Building the Peace: Experiences of Collaborative Peacebuilding in Somalia 1993-1996*. Wolfgang Heinrich. Life and Peace Institute. 1997.

[40] *District Council Formation: Lessons Learned Study*. Final Report. Jusso Miettunen. Concilient. Somalia Stability Fund. July 2020.

[41] *Explaining Informal Taxation and Revenue Generation: Evidence from south-central Somalia*. Vanessa van den Boogaard and Fabrizio Santoro. The International Centre for Tax and Development (ICTD). March 2021.

[42] *Explaining Informal Taxation and Revenue Generation: Evidence from south-central Somalia*. Vanessa van den Boogaard and Fabrizio Santoro. The International Centre for Tax and Development (ICTD). March 2021.

resources are utilized. For interventions under sub-IR 2.2, PCG must identify creative approaches that incentivize district councils to formalize and render the collection of existing taxes more transparent. Interventions under sub-IR 2.2 must support district councils to mobilize external resources to fund community priorities identified through the planning processes identified under sub-IR 2.1. Interventions under sub-IR 2.2 must support districts in facilitating public-private partnerships and mobilize support from the diaspora to fund these community priorities.

For interventions under sub-IR 2.2, PCG must support districts to incrementally expand existing and identify new sources of own-source revenue while respecting existing federal and state legal frameworks. Recent research by the Somali Stability Fund found that livestock, transportation, and small business taxes are generally accepted and easily collected. Districts could use these taxes to generate revenue in the short term.[43] While these specific taxes tend to generate only modest amounts of revenue, formalizing them will provide districts with much-needed resources to help cover operational expenses and establish systems that can be expanded upon in the future. Given the existence of parallel taxation systems and low confidence in the Somali state, interventions under this sub-IR must begin by strengthening the ability of districts to develop realistic budgets and establish (or strengthen) systems for transparently tracking revenue and expenditures. Once these systems are functional, interventions under this sub-IR could then support districts to engage stakeholders to agree upon locally accepted revenue collection systems and roll them out on a pilot basis in select districts.

[**END OF SECTION A**]

[43] *Local Governance and Provision of Social Services: Lessons from Somalia*. Ken Menkhaus, Davidson College, 2002.

SECTION B: FEDERAL AWARD INFORMATION

1. Estimate of Funds Available and Number of Awards Contemplated

USAID intends to award one (1) Cooperative Agreement pursuant to this notice of funding opportunity. Subject to funding availability and at the discretion of the Agency, USAID Somalia intends to provide an estimated ceiling of $40,000,000 in total USAID funding over a five (5) year period.

The base amount for this award is expected to be approximately **$25 million.** In addition to this base amount, the Cooperative Agreement will include an unfunded budget allocation for three (3) opportunity modules of up to $15 million inclusive of indirect costs as follows:

- Opportunity Module A: $5,000,000
- Opportunity Module B: $5,000,000
- Opportunity Module C: $5,000,000

This unfunded budget allocation for the opportunity modules is not guaranteed. The opportunity modules will enable USAID to respond to unforeseen windows of opportunity that emerge over the course of implementation. Potential windows of opportunity may include the liberation of new territory from al-Shabaab, agreement on the status of the Benadir Regional Administration (BRA), national or subnational democratization processes, the emergence of national or subnational political settlements, etc. These opportunity modules are intended to support the expansion of programming to new geographic areas or increase the scale of interventions in existing programming locations. USAID estimates that each opportunity module will allow PCG to expand to an additional four (4) districts. Each opportunity module must dedicate at most $1 million for construction activities. Opportunity modules may be exercised only at the discretion of the Agreement Officer and are contingent upon availability of funds, which may include other funding elements and reporting requirements. USAID/Somalia may invoke the opportunity modules to implement additional interventions at any point in the life of the activity.

Use of the opportunity module is at the discretion of USAID and will require administrative approval in accordance with the terms and procedures of the award.

All funding will be provided on an incremental basis, subject to the availability of funds and successful performance. USAID reserves the right to change the funding amounts, cycle, and terms of the agreement as a result of availability of funding, U.S. Government requirements, or Recipient performance. If such changes occur, USAID will notify the Recipient.

Furthermore, USAID reserve the right to: (a) reject any or all applications, (b) accept other than the lowest cost application, and (c) waive informalities and minor irregularities in applications received.

2. Expected Performance Indicators, Targets, Baseline Data, and Data Collection

Applicants must propose performance indicators, targets, and baseline sources per Section A above.

3. Start Date and Period of Performance for Federal Awards

The anticipated period of performance is five (5) years. The estimated start date will be on or about June 30, 2023.

4. Substantial Involvement

USAID anticipates requiring substantial involvement under this program to assist the Recipient in achieving the supported objectives of the agreement. The intended areas of substantial involvement may include, but are not limited to, the following:

a) Approval of the Recipient's Implementation Plans:

The Recipient must submit Annual Work Plans (AWP) that present the overall strategic approach to the program and set annual priorities for the given implementation year. The Recipient must obtain AOR approval of the AWP, and any amendments to it, to ensure compliance with stated goals, milestones, and outputs.

b) Approval of Specified Key Personnel

The Recipient must obtain USAID approval for the positions designated essential to the successful implementation of the program as "Key Personnel," which must include the two positions listed in Section D(5)(ii). Applicants must propose three additional key personnel positions in the Management Plan and Key Personnel section. Applicants must identify the position titles and briefly explain the roles, responsibilities, minimum qualifications, and skill sets required for the three additional positions. Applicants must not include the names of the additional three Key Personnel as they will be approved post-award and not be evaluated as part of the NOFO.

USAID reserves the right to determine the relevance of education and experience for all Key Personnel positions.

c) Review and Approval of Subawards

The Recipient must obtain AO's prior approval for the sub-award, transfer, or contracting out of any scope under this award. The term 'subaward' includes both sub-agreements and contracts under assistance.

The Recipient must obtain AO's prior approval of substantive provisions of proposed subawards or contracts (defined in 2 CFR 200).

Any subawards to foreign governmental organizations or parastatal of any amount must be approved by the AO and may warrant additional clearances in accordance with ADS 303.3.21.b & c.

d) Agency, Recipient, and Subrecipient Collaboration

When the Recipient's successful accomplishment of program objectives can benefit from USAID's technical knowledge and strategic relationship with local government stakeholders, the AO may authorize the collaboration or joint participation of USAID and the Recipient.

e) Agency and Host Government Collaboration

The AO may authorize specific redirection, including of the geographic scope, based on emerging needs, host government priorities, and the interrelationships with other USG-funded activities, such as those supported by other USAID/Somalia technical offices.

f) **Construction Activities**

Prior to and during the implementation of construction activities, USAID substantial involvement from USAID is required for the following construction elements:

1. The Recipient must obtain USAID approval of infrastructure interventions site selection with cost ceilings for each proposed construction project.
2. Review of and Non-Objection to Construction Drawings: Prior to the start of any construction activities, the Recipient must submit to USAID's A&E contractor, with a copy to USAID, for review and approval all relevant shop drawings, catalog/vendor cut sheets, and/or detailed written specifications for all major work items as identified in the "Limiting Construction Activities" provision.
3. Collaboration of USAID personnel such as a USAID Engineer, Mission Environment Officer, or contractors on specific elements in the program description.
    - Acceptance of A-E design changes to the plans,
    - Observe technical evaluation of construction contract procurements.
4. Approval of Construction Implementation Plan: USAID must approve the Recipient's Construction Implementation Plan or Approach and any revisions.
5. Authority to Halt Construction Activities: USAID has the authority to stop work at any project site due to any observed or reported conditions of unsatisfactory quality of workmanship, violations of health and safety requirements, or adverse security situations.

g) Other

Other possible areas of substantial involvement include:

- USAID's collaborative involvement in the formation and participation of an Activity Advisory Board (or similar structure).
- The AOR will lead Project Management Team (PMT) meetings between the Recipient and subrecipient Organizations and USAID staff, to review program implementation, performance, and operations.
- The AOR will lead Pause and Reflect sessions and other learning events between the Recipient and subrecipient organization and USAID staff, approximately twice annually to reflect on past work and explore future opportunities based on new information gained through learning from implementation and similar activities.
- The Recipient must obtain AOR approval of the monitoring, evaluation, and learning plans, quarterly, annual, and final performance reports.
- The Recipient must obtain AOR approval for research protocols for major evaluations, including overall research and sampling design, data analysis and management plan, survey instruments, team composition, training plan, and overall timeline.

- The Recipient must obtain AO approval in writing prior to performing work under the opportunity modules.

It is expected that USAID will provide ongoing technical advice throughout program implementation. USAID may also establish additional requirements prior to the award that limit Recipients' discretion with respect to the scope of services offered, organizational structure, staffing, or other management processes. It is expected that USAID's level of involvement in decision-making will require close communication, cooperation, and coordination between USAID and program staff.

5. Authorized Geographic Code

The geographic code for the procurement of commodities and services under this program is 935. This means any area or country, including the Recipient country but excluding any country that is a prohibited source. The list of countries designated as Prohibited sources is found at http://www.usaid.gov/ads/policy/300/310mac

6. Nature of the Relationship between USAID and the Recipient

The principal purpose of the relationship with the Recipient and under the subject program is to transfer funds to accomplish a public purpose of support or stimulation of the People-Centered Governance Activity in Somalia, which is authorized by Federal statute. The successful Recipient will be responsible for ensuring the achievement of the program objectives and the efficient and effective administration of the award through the application of sound management practices. The Recipient will assume responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.

7. Selection of Instrument

Results of Market Research: As part of the project design phase, USAID/Somalia conducted a robust literature review and donor mapping and undertook market research with key Somali stakeholders. From January to October 2021, the design team spoke with more than sixty individuals from the government (district, state, and federal), civil society, international and local NGOs, and donors. USAID/Somalia issued a Request for Information (RFI) for the proposed activity in July 2022 in order to provide industry an opportunity to review, comment, and propose edits to improve the design document for the proposed activity. As a result of this market research, USAID/Somalia identified a number of potential Recipients that could merit federal support or assistance by reason of its mission, programs, or activities.

Programmatic Need: This Activity aims to support district councils in offering a credible alternative to the al-Shabaab rule. This requires support to build the local government's capacity, enhance the ability of citizens to influence decision-making, and repair state-citizen relations. Previous state-building interventions that procured technical assistance services to establish new district councils in Somalia failed to repair state-citizen relations and rebuild trust between divided communities. Although this activity includes support to multiple stakeholders of local governance, USAID will prioritize providing financial support to a Recipient to increase citizens' participation in local decision-making and support local government in responding to these needs to achieve the primary programmatic purpose. This Activity will assist a Recipient in providing its services to third parties, including local government institutions, local civil society organizations, and target civilian populations.

Furthermore, given the sensitivities of DRG programming in Somalia and concerns regarding external influence, USAID prioritizes providing financial support to enhance a Recipient's ability to carry out the public purpose of fostering more accountable and responsive governance institutions.

The award will include limited funds for infrastructure projects, as identified by the Recipient and civil society.

[**END OF SECTION B**]

SECTION C: ELIGIBILITY INFORMATION

1. Eligible Applicants

Eligibility for this NOFO is not restricted. USAID encourages applications from a broad range of interested parties, foreign and domestic non-profit organizations, foreign and domestic for-profit companies that forego profit, faith-based organizations, foundations, academic institutions, civic groups, Public International Organizations, and regional organizations. USAID welcomes applications from organizations which have not previously done business with USAID.

Applicants must have established financial management, monitoring and evaluation processes, internal control systems, and policies and procedures that comply with established U.S. Government standards, laws, and regulations. The successful applicant(s) will be subject to a responsibility determination assessment by the Agreement Officer (AO).

The Recipient must be a responsible entity. The AO may determine if a pre-award survey is required and, if so, would establish a formal survey team to conduct an examination that will determine whether the prospective Recipient has the necessary organization, experience, accounting and operational controls, and technical skills – or ability to obtain them – in order to achieve the objectives of the program and comply with the terms and conditions of the award.

2. Cost Sharing or Matching

Cost-sharing or matching requirements are not mandatory under this award. Applicants may propose cost-sharing. USAID will use proposed cost-cost sharing as a merit-review tie-breaker.

3. Other

Organizations may submit only one application under this NOFO. All applications received by the deadline will be reviewed for responsiveness and programmatic merit in accordance with the specifications outlined in Section D below. Applications should respond directly to the terms, conditions, specifications, and provisions of this NOFO (including all portions of the program description). Applications that do not meet the requirements of this NOFO will not be considered for award.

[**END OF SECTION C**]

SECTION D: APPLICATION AND SUBMISSION INFORMATION

1. Agency Point of Contact

Name: Jesse Gutierrez
Title: Agreement Officer
Email: jgutierrez@usaid.gov

Name: Aziz Alibhai
Title: Senior Acquisition & Assistance Specialist
Email: aalibhai@usaid.gov

2. Questions and Answers

Prospective applicants may submit questions regarding this NOFO to the email addresses above no later than the date and time indicated on the cover letter, as amended. Any information given to a prospective applicant concerning this NOFO will be furnished promptly to all other prospective applicants as an amendment to this NOFO, if that information is necessary for submitting applications or if the lack of it would be prejudicial to any other prospective applicant.

3. General Content and Form of Application

Each applicant must furnish the information required by this NOFO. Applications must be submitted in two separate parts: the Technical Application and the Business (Cost) Application. This subsection addresses general content requirements applying to the full application. Please see subsections 5 and 6 below for information on the content specific to the Technical and Business (Cost) applications. The Technical application must address technical aspects only, while the Business (Cost) Application must present the costs and address risk and other related issues.

Both the Technical and Business (Cost) Applications must include a cover page containing the following information:

- Name of the organization(s) submitting the application;
- Identification and signature of the primary contact person (by name, title, organization, mailing address, telephone number, and email address) and the identification of the alternate contact person (by name, title, organization, mailing address, telephone number, and email address);
- Program name;
- Notice of Funding Opportunity number;
- Name of any proposed sub-Recipients (identify if any of the organizations are local organizations, per USAID's definition of 'local entity' under ADS 303.

Any erasures or other changes to the application must be initialed by the person signing the application. Applications signed by an agent on behalf of the applicant must be accompanied by evidence of that agent's authority unless that evidence has been previously furnished to the issuing office.

Applicants may choose to submit a cover letter in addition to the cover pages, but it will serve only as a transmittal letter to the Agreement Officer. The cover letter will not be reviewed as part of the merit review criteria.

Applications must comply with the following:

- USAID will not review any pages in excess of the page limits noted in the subsequent sections. Please ensure that applications comply with the page limitations.
- Written in English.
- Use standard 8 ½" x 11", single-sided, single-spaced, 12-point Times New Roman font, 1" margins, left justification and headers and/or footers on each page, including consecutive page numbers, date of submission, and applicant's name.
- 10-point Times New Roman font can be used for graphs and charts, tables, text boxes and callout boxes.
- Submitted in **both** Microsoft Word **and** PDF formats, except budget files which must be submitted in Microsoft Excel with all cells unlocked.
- The estimated start date identified in Section B of this NOFO must be used in the cost application.
- The technical application must be in a searchable and editable Word **and** PDF format as appropriate.
- The Cost Schedule must include an Excel spreadsheet with all cells unlocked and no hidden formulas or sheets. A PDF version of the Excel spreadsheet may be submitted in addition to the Excel version at the applicant's discretion. However, the official cost application submission is the unlocked Excel version.

Applicants must review, understand, and comply with all aspects of this NOFO. Failure to do so may be considered as being non-responsive and may be evaluated accordingly. Applicants should retain a copy of the application and all enclosures for their records. **All applications received by the deadline will be reviewed for responsiveness to the specifications outlined in these guidelines. Applications that are incomplete or not directly responsive to the terms, conditions, specifications, and provisions of this NOFO may be categorized as non-responsive and eliminated from further consideration.**

4. Application Submission Procedures

Applications in response to this NOFO must be submitted no later than the closing date and time indicated on the cover letter, as amended. Late applications will not be reviewed nor considered. Applicants must retain the proof of timely delivery in the form of system-generated documentation of delivery receipt date and time.

Applications must be submitted by email to aalibhai@usaid.gov and jgutierrez@usaid.gov. Email submissions must include the NOFO number and applicant's name in the subject line heading. In addition, for an application sent by multiple emails, the subject line must also indicate whether the email relates to the technical or cost application, and the desired sequence of the emails and their attachments (e.g., "No. 1 of 4", etc.). For example, if your cost application is being sent in two emails, the first email must have a subject line that states: "[NOFO number], [organization name], Cost Application, Part 1 of 2".

USAID's preference is that the technical application and the cost application each be submitted as consolidated email attachments, e.g., that you consolidate the various parts of a technical application into a single document before sending it. If this is not possible, please provide instructions on how to collate the attachments. USAID will not be responsible for errors in compiling electronic applications if no instructions are provided or are unclear.

After submitting an application electronically, applicants should immediately check their own email to confirm that the attachments were indeed sent. If an applicant discovers an error in transmission, please send the material again and note in the subject line of the email that it is a "corrected" submission. Do not send the same email more than once unless there has been a change, and if so, please note that it is a "corrected" email.

Applicants are reminded that email is NOT instantaneous, and in some cases, delays of several hours occur from transmission to receipt. Therefore, applicants are requested to send the application in sufficient time ahead of the deadline. For this NOFO, the initial point of entry to the government infrastructure is the USAID mail server.

There may be a problem with the receipt of *.zip files due to anti-virus software. Therefore, applicants are discouraged from sending files in this format as USAID/Somalia cannot guarantee their acceptance by the internet server. File size must not exceed 25MB.

5. Technical Application Format

The technical application must be specific, complete, and presented concisely. The application must demonstrate the applicant's capabilities and expertise with respect to achieving the goals of this program. The application must consider the program's requirements and merit review criteria found in this NOFO.

(a) Cover Page (not included in page limit)
See Section D.3 above for requirements

(b) Table of Contents (not included in page limit)
Include major sections and page numbering to easily cross-reference and identify merit review criteria.

(c) Acronym List (not included in page limit)

(d) Executive Summary (one page, not included in page limit)
The Executive Summary must provide a high-level overview of key elements of the Technical Application.

(e) Technical Application (no more than 24 pages)
The technical application body shall be organized using the same headings as the merit review criteria. The criteria are listed and further described below:

(i) Merit Review Criteria # 1 – Technical Approach
(ii) Merit Review Criteria # 2 – Management Plan and Key Personnel
(iii) Merit Review Criteria # 3 – Institutional Capacity

(iv) Technical Application Annexes (not included in page limit)

(i) Technical Approach (no more than 16 pages)
Applicants must prepare a politically informed and evidence-based Technical Approach that articulates how proposed interventions will contribute to the achievement of results and is informed by the guiding principles outlined in the Program Description (Section A). The Technical Approach will:

- Articulate the Applicant's understanding of political economy and conflict dynamics and identify opportunities and challenges to building legitimate and effective local institutions in southern Somalia.
- Describe the scope, scale, and sequencing of proposed interventions over the life of the activity.
    - Provide a clear indication of the estimated geographic coverage (# of districts) that will be feasible to reach given resources available under the 'core program' (excluding the opportunity modules).
- Describe how the Applicant will engage key stakeholders, including federal, state, and local government, traditional authorities, the private sector, etc., in the design and implementation of interventions.
- Describe how the Applicant will sequence, layer, and integrate with other donor-funded stabilization, governance, and durable solutions programs at the federal, state and local levels, including the UN's Joint Program on Local Governance (JPLG).
- Describe how learning and evidence generated from the activity will be used to inform decision-making and program adaptation in real-time.
- Describe how the Applicant will integrate principles of gender and social inclusion into program implementation, with an emphasis on communities historically excluded from decision-making processes.
- Describe how the Applicant will incorporate principles of 'do no harm' and conflict sensitivity into program implementation.

(ii) Management Plan and Key Personnel (no more than two (4) pages)
Applicants must prepare a Management Plan and identify Key Personnel that clearly demonstrates the Applicant's capability to implement Section A. The Management and Key Personnel Plan will:

- Articulate the division of roles and responsibilities between in-country project staff and partners, consultants providing short/long-term technical assistance, and home office support (if the Applicant is an international organization) that will lead to the achievement of results outlined in Section A.
- Describe how the Applicant will ensure that project staff and partners reflect the diversity of the communities in which proposed interventions would be implemented in, with a strong emphasis on gender, Somali linguistic dialects, and clan diversity within all organizational levels.
- Describe how the Applicant will establish and maintain an operational presence in hard-to-reach and volatile districts in southern Somalia.

- Describe how the Applicant will expand programming to new geographic locations and/or increase the ~~scope and~~ scale of interventions in existing programming locations if USAID makes funding available through the opportunity modules.

As per Section B (4), USAID expects to be involved in the approval of key personnel positions deemed critical to the successful implementation of Section A. Applicants must propose candidates for two key personnel positions: 1) Chief of Party; and 2) Deputy Chief of Party. Applicants must submit CVs for each of the two proposed key personnel not to exceed three pages; a letter of commitment; and a list of three references (provide name and contact information of each reference). See below minimum qualifications for the Chief of Party and Deputy Chief of Party. These two key personnel positions will be evaluated as part of this NOFO. Applicants must describe how the skillsets of the proposed key personnel are complementary, describe how they will work together effectively as a team, and demonstrate how they meet the minimum qualification stated below.

Minimum Requirements: Chief of Party
- Bachelor's degree in a relevant field. Master's degree preferred but not required.
- Minimum of ten years working in contexts similar to Somalia, incorporating elements of local governance, peacebuilding, or other programming relevant to Section A.
- Minimum of five years' experience managing a diverse, multi-cultural team.
- Strong interpersonal skills to interact with Somali counterparts and other key stakeholders relevant to Section A.
- Demonstrated ability to communicate effectively in English, both verbally and in writing.

Minimum Requirements: Deputy Chief of Party
- Bachelor's degree in a relevant field. Master's degree preferred but not required.
- Minimum of seven years working in contexts similar to Somalia, incorporating elements of local governance, peacebuilding, or other programming relevant to Section A.
- Minimum of three years' experience managing a diverse, multi-cultural team.
- Strong interpersonal skills to interact with Somali counterparts and other key stakeholders relevant to Section A.
- Demonstrated ability to communicate effectively in English, both verbally and in writing.

Applicants will propose three additional key personnel positions in the Management Plan and Key Personnel section. Applicants will identify the position titles and briefly explain the roles and responsibilities, and minimum skill sets required for these three additional senior management positions. Applicants will not include the names of the identified Key Personnel as they will be approved post-award and not be evaluated as part of the NOFO.

(iii) Institutional Capacity (no more than two (4) pages)

Applicants must demonstrate that they possess the necessary organizational experience and expertise, both technical and managerial, to successfully implement Section A. The Institutional Capacity section will:

- Describe the technical and managerial capacity of all organizations included in the application

- Describe how the capabilities of each organization will complement one another and lead to the achievement of results outlined in Section A.
- Describe the applicant's demonstrated capacity to carry out construction activities and ability to oversee construction - by self-performance or through subcontracts.
- Describe the Applicant's experience engaging and empowering local actors with an emphasis on formal and informal governance institutions, civil society and the private sector in Somalia or similar contexts.

(iv) Technical Application Annexes
Applicants must include the following Annexes (not counted toward overall page limit):

Annex 1:
- Annex 1.a: Graphic representation of Theory of Change
- Annex 1.b: Log frame that includes indicators to measure achievement of key results, baseline values and targets for each indicator by year. Indicator targets must be ambitious but realistic.

Note: Annexes 1.a and 1.b will be evaluated as part of the Technical Approach

Annex 2:
- Annex 2.a: Organizational Chart that includes lines of supervision between project staff and partners (no more than one page).
- Annex 2.b: Resumes/CV, letters of commitment, and references for key personnel - Each CV must not exceed three (3) pages. Applicants must provide a minimum of three (3) current references for each key personnel candidate (provide name and contact information of each reference). The signed Commitment letters for each key personnel candidate must indicate the date s/he is available to join the activity.

Note: Annexes 2.a and 2.b will be evaluated as part of the Management Plan and Key Personnel Section.

PAGES EXCEEDING THESE PAGE LIMITS WILL NOT BE EVALUATED.

6. Business (Cost) Application Format
The Business (Cost) Application must be submitted separately from the Technical Application. While no page limit exists for the full-cost application, applicants are encouraged to be as concise as possible while still providing the necessary details. The business (cost) application must illustrate the entire period of performance, using the budget format shown in the SF-424A.

Prior to award, applicants may be required to submit additional documentation deemed necessary for the Agreement Officer to assess the applicant's risk in accordance with 2 CFR 200.206. **Applicants must not submit any additional information with their initial application.**

The Cost Application must contain the following sections (which are further elaborated below this listing with the letters for each requirement):

a) Cover Page (See Section D.3 above for requirements)

b) SF 424 Form(s)

The applicant must sign and submit the cost application using the SF-424 series. Standard Forms can be accessed electronically at www.grants.gov or using the following links:

Instructions for SF-424	https://www.grants.gov/web/grants/forms/sf-424-family.html
Application for Federal Assistance (SF-424)	https://www.grants.gov/web/grants/forms/sf-424-family.html
Instructions for SF-424A	https://www.grants.gov/web/grants/forms/sf-424-family.html
Budget Information (SF-424A)	https://www.grants.gov/web/grants/forms/sf-424-family.html
Instructions for SF-424B	https://www.grants.gov/web/grants/forms/sf-424-family.html
Assurances (SF-424B)	https://www.grants.gov/web/grants/forms/sf-424-family.html

Failure to accurately complete these forms could result in the rejection of the application.

c) Required Certifications and Assurances

The applicant must complete the following documents and submit a signed copy with their application:

(1) "Certifications, Assurances, Representations, and Other Statements of the Recipient" ADS 303mav document found at https://www.usaid.gov/ads/policy/300/303mav
(2) Certificate of Compliance: Please submit a copy of your Certificate of Compliance if your organization's systems have been certified by USAID/Washington's Office of Acquisition and Assistance (M/OAA).

Applicants must complete the certifications above and sign and date in the signature spaces provided. The signed and dated copy must then be submitted.

d) Budget and Budget Narrative

Budget figures must be expressed in US dollars. The Budget must be submitted as one unprotected Excel file (MS Office 2000 or later versions) with visible formulas and references and must be broken out by project year, including itemization of the federal and non-federal (cost share) amount. Files must not contain any hidden or otherwise inaccessible cells. Budgets with hidden cells lengthen the cost analysis time required to make award and may result in a rejection of the cost application. Budgeted costs must be inclusive of Value Added Tax (VAT) costs as applicable. The Budget Narrative must contain sufficient detail to allow USAID to understand the proposed costs. The applicant must ensure the budgeted costs address any additional requirements identified in Section F, such as Branding and Marking. The budget narrative and justification must provide in detail the total program amount for implementation of the program your organization is applying. The budget narrative must provide information regarding the basis-of-estimate for each line item, including reference to sources used to substantiate the cost estimate (e.g., organization's policy, payroll document, vendor quotes, etc.).

A breakdown of all costs associated with the program according to the costs of, if applicable, headquarters, regional and country offices. Applicants who intend to utilize Recipients or sub-Recipients must indicate the extent intended and a complete cost breakdown for each. Extensive contracts/agreements and financial plans must follow the same cost format as submitted by the primary Applicant. The Applicant must provide a breakdown of all costs according to each partner organization, or sub/awardee involved in the program. The Budget Narrative must be thorough, including sources for costs to support USAID's determination that the suggested costs are realistic, fair and reasonable. The budget Narrative must explain cost estimates and provide the rationale and the basis on which costs are derived, including sufficient information to determine the reasonableness and realism of suggested costs.

The Budget must include the following worksheets or tabs, and contents, at a minimum:

- Summary Budget for the 'core program' ($25 million), inclusive of all program costs (federal and non-federal), broken out by major budget category and by year for activities implemented by the applicant and any potential sub-applicants for the entire period of the program. See Section H, Annex 1 for Summary Budget Template.
- Detailed Budget for the 'core program' ($25 million), including a breakdown by year, sufficient to allow the Agency to determine that the costs represent a realistic and efficient use of funding to implement the applicant's program and are allowable in accordance with the cost principles found in 2 CFR 200 Subpart E.
- Detailed Budgets for each sub-Recipient, for all federal funding and cost share, broken out by budget category and by year, for the entire implementation period of the project.
- Detailed Budgets for each opportunity module, inclusive of all program costs, broken out by major budget category and by year for activities implemented by the applicant and any potential sub-applicants for the period of performance of the opportunity module. USAID estimates that each opportunity module will either:
    1. allow PCG to expand to an additional four (4) districts
    2. increase the scale of interventions in existing programming locations.

Though this will ultimately be determined during implementation, each opportunity module is estimated at $5 Million and must set aside $1 million for construction activities.

For cost application purposes, the applicant must budget for two (2) of the modules for geographic expansion and one (1) module for increasing the scale of interventions in existing locations.

The Detailed Budgets must contain the following budget categories and information, at a minimum:

1) Salaries and Allowances – Must be proposed consistent with 2 CFR 200.430 Compensation - Personal Services. The applicant's budget must include position title, salary rate, level of effort, and salary escalation factors for each position. Allowances, when proposed, must be broken down by specific type and by position. Applicants must explain all assumptions in the Budget Narrative. The Budget Narrative must demonstrate that the proposed compensation is reasonable for the services rendered and consistent with what is paid for similar work in other activities of the applicant. Applicants must provide their established written policies on personnel compensation. If the applicant's written policies do not address a specific element of compensation that is being proposed, the Budget Narrative must describe the rationale used and supporting market research.

2) Fringe Benefits – (if applicable) If the applicant has a fringe benefit rate approved by an agency of the U.S. Government, the applicant must use such rate and provide evidence of its approval. If an applicant does not have a fringe benefit rate approved, the applicant must propose a rate and explain how the applicant determined the rate. In this case, the Budget Narrative must include a detailed breakdown comprised of all items of fringe benefits (e.g., superannuation, gratuity, etc.) and the costs of each, expressed in U.S. dollars and as a percentage of salaries.

3) Travel and Transportation – Provide details to explain the purpose of the trips, the number of trips, the origin and destination, the number of individuals traveling, and the duration of the trips. Per Diem and associated travel costs must be based on the applicant's normal travel policies. Where, appropriate please provide supporting documentation as an attachment, such as company travel policy, and explain assumptions in the Budget Narrative.

4) Procurement or Rental of Goods (Equipment & Supplies), Services, and Real Property – Must include information on estimated types of equipment, models, supplies and the cost per unit and quantity. The Budget Narrative must include the purpose of the equipment and supplies and the basis for the estimates. The Budget Narrative must support the necessity of any rental costs and reasonableness in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased.

5) Subawards – Specify the budget for the portion of the program to be passed through to any subrecipients. See 2 CFR 200 for assistance in determining whether the sub-tier entity is a subrecipient or contractor. The subrecipient budgets must align with the same requirements as the applicant's budget, including those related to fringe and indirect costs.

6) Construction means —construction, alteration, or repair (including dredging and excavation) of buildings, structures, or other real property and includes, without limitation, improvements, renovation, alteration and refurbishment. The term includes, without limitation, roads, power plants, buildings, bridges, water treatment facilities, and vertical structures. (See ADS 303.3.30)

7) Opportunity Modules - The opportunity modules are intended to support the expansion of programming to new geographic areas or increase the scale of interventions in existing programming locations. Provide detailed budgets for each opportunity module, inclusive of all program costs, broken out by major budget category and by year for activities implemented by the applicant and any potential sub-applicants for the period of performance of the opportunity module. USAID estimates that each opportunity module will either:
    1. allow PCG to expand to an additional four (4) districts
    2. increase the scale of interventions in existing programming locations.

   Though this will ultimately be determined during implementation, each opportunity module is estimated at $5 Million and must set aside $1 million for construction activities.

   For cost application purposes, the applicant must budget for two (2) of the modules for geographic expansion and one (1) module for increasing the scale of interventions in existing locations.

8) Other Direct Costs – This may include other costs not elsewhere specified, such as report preparation costs, passports and visas fees, medical exams and inoculations, as well as any other miscellaneous costs which directly benefit the program proposed by the applicant. The applicant must indicate the subject, venue and duration of any proposed conferences and seminars, and their relationship to the objectives of the program, along with estimates of costs. Otherwise, the narrative must be minimal.

8) Indirect Costs – Applicants must indicate whether they are proposing indirect costs or will charge all costs directly. In order to better understand indirect costs please see Subpart E of 2 CFR 200. The application must identify which approach they are requesting and provide the applicable supporting information. Below are the most commonly used Indirect Cost Rate methods:

   Method 1 - Direct Charge Only
   Eligibility: Any applicant
   Initial Application Requirements: See above on direct costs

   Method 2 - Negotiated Indirect Cost Rate Agreement (NICRA)
   Eligibility: Any applicant with a NICRA issued by a USG Agency must use that NICRA
   Initial Application Requirements: If the applicant has a current NICRA, submit your approved NICRA and the associated disclosed practices. If your NICRA was issued by an Agency other than USAID, provide the contact information for the approving Agency. Additionally, at the Agency's discretion, a provisional rate may be set forth in the award subject to audit and finalization. See USAID's Indirect Cost Rate Guide for Non Profit Organizations for further guidance.

   Method 3 - De minimis rate of 10% of modified total direct costs (MTDC)
   Eligibility: Any applicant that does not have a current NICRA
   Initial Application Requirements: Costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. If chosen, this

methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate an indirect rate, which the non-Federal entity may apply to do at any time. The applicant must describe which cost elements it charges indirectly vs. directly. See 2 CFR 200 for further information.

Method 4 - Indirect Costs Charged As A Fixed Amount
Eligibility: Non-U.S. non-profit organizations without a NICRA may request, but approval is at the discretion of the AO Initial Application Requirements: Provide the proposed fixed amount and a worksheet that includes the following:

- Total costs incurred by the organization for the previous fiscal year and estimates for the current year.
- Indirect costs (common costs that benefit the day-to-day operations of the organization, including categories such as salaries and expenses of executive officers, personnel administration, and accounting, or that benefit and are identifiable to more than one program or activity, such as depreciation, rental costs, operations and maintenance of facilities, and telephone expenses) for the previous fiscal year and estimates for the current year
- Proposed method for prorating the indirect costs equitably and consistently across all programs and activities of using a base that measures the benefits of that particular cost to each program or activity to which the cost applies.

If the applicant does not have an approved NICRA and does not elect to utilize the 10% de minimis rate, the Agreement Officer will provide further instructions and may request additional supporting information, including financial statements and audits, should the application still be under consideration after the merit review. USAID is under no obligation to approve the applicant's requested method.

9) Cost Sharing – The applicant may estimate the amount of cost-sharing resources to be provided over the life of the agreement and specify the sources of such resources, and the basis of calculation in the budget narrative. Applicants may also provide a breakdown of the cost share (financial and in-kind contributions) of all organizations involved in implementing the resulting award.

e) Prior Approvals in accordance with 2 CFR 200.407

Inclusion of an item of cost in the detailed application budget does not satisfy any requirements for prior approval by the Agency. If the applicant would like the award to reflect approval of any cost elements for which prior written approval is specifically required for allowability, the applicant must specify and justify that cost. See 2 CFR 200.407 for information regarding which cost elements require prior written approval.

f) Approval of Subawards

The applicant must submit information for all subawards that it wishes to have approved at the time of award. For each proposed subaward the applicant must provide the following:

- Name of organization
- Unique Entity Identifier (UEI)

- Confirmation that the subrecipient does not appear on the Treasury Department's Office of Foreign Assets Control (OFAC) list
- Confirmation that the subrecipient does not have active exclusions in the System for Award Management (SAM)
- Confirmation that the subrecipient is not listed in the United Nations Security designation list
- Confirmation that the subrecipient is not suspended or debarred
- Confirmation that the applicant has completed a risk assessment of the subrecipient, in accordance with 2 CFR 200.332(b)
- Any negative findings as a result of the risk assessment and the applicant's plan for mitigation.

g) Unique Entity Identifier (UEI) and SAM Registration

Applicants must obtain a Unique Entity Identifier (UEI) and register in the System for Award Management (SAM) (https://sam.gov/) in order to be eligible to receive federal assistance, such as grants and cooperative agreements. Unless an exemption applies (see ADS 303maz), applicants must be registered in SAM prior to submitting an application for award for USAID's consideration. Recipients must maintain an active SAM registration while they have an active award. Each applicant (unless the applicant is an individual or entity that is exempted from UEI/SAM requirements under 2 CFR 25.110) is required to:

1. Provide a valid UEI for the applicant and all proposed sub-recipients;
2. Be registered in SAM <u>before</u> submitting its application.
3. Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a federal awarding agency.

The registration process may take many weeks to complete. Therefore, applicants are encouraged to begin the process early. If an applicant has not fully complied with the requirements above by the time USAID is ready to make an award, USAID may determine that the applicant is not qualified to receive an award and use that determination as a basis for making an award to another applicant.

Applicants can find additional resources for registering in SAM, including a Quick Start Guide and a video, on https://sam.gov/.

h) History of Performance

<u>Note: History of Performance will be requested by the AO for the Apparently Successful Applicant(s) (ASA) only.</u>

Only the prime applicant must provide information regarding its recent history of performance for all its cost-reimbursement contracts, grants, or cooperative agreements involving similar or related programs, not to exceed three awards, as follows:

- Name of the Awarding Organization;
- Award Number;
- Activity Title;

- A brief description of the activity;
- Period of Performance;
- Award Amount;
- Reports and findings from any audits performed in the last six years; and
- Name of at least two (2) updated professional contacts who most directly observed the work at the organization for which the service was performed with complete current contact information including telephone number, and e-mail address for each proposed individual.

If the applicant encountered problems on any of the referenced Awards, it may provide a short explanation and the corrective action taken. The applicant must not provide general information on its performance. USAID reserves the right to obtain relevant information concerning an applicant's history of performance from any sources and may consider such information in its review of the applicant's risk. The Agency may request additional information and conduct a pre-award survey if it determines that it is necessary to inform the risk assessment.

i) Branding Strategy & Marking Plan

It is a Federal statutory and regulatory requirement that all overseas programs, projects, activities, public communications, and commodities that USAID partially or fully funds under an assistance award or sub-award must be appropriately marked with the USAID identity.

Under 2 CFR 700.16, USAID requires the submission of a Branding Strategy and Marking Plan from only the ASA; therefore, applicants do not need to submit a draft Branding Strategy and Marking Plan in the initial applications.

The ASA must submit the Branding Strategy and Marking Plan within 30 Calendar Days after the effective date of award. More information on Branding Strategy and Marking Plan are available at http://www.usaid.gov/branding/assistance.html.

At this time, there are not any written determinations from the USAID Administrator for use of an additional or substitute logo or seal and tagline representing a presidential initiative or other high level interagency federal initiative for this project. However, branding exceptions and waivers can be requested post-award.

Branding Strategy – Assistance (June 2012)

a. Applicants recommended for an assistance award must submit and negotiate "Branding Strategy," describing how the program, project, or activity is named and positioned, and how it is promoted and communicated to beneficiaries and host country citizens.

b. The request for a Branding Strategy, by the Agreement Officer from the applicant, confers no rights to the applicant and constitutes no USAID commitment to an award.

c. Failure to submit and negotiate a Branding Strategy within the time frame specified by the Agreement Officer will make the applicant ineligible for an award.

d. The applicant must include all estimated costs associated with branding and marking USAID programs, such as plaques, stickers, banners, press events, materials, and so forth, in the budget portion of the application. These costs are subject to the revision and clarifications with the Agreement Officer and will be incorporated into the Total Estimated Amount of the grant, cooperative agreement or other assistance instrument.

e. The Branding Strategy must include, at a minimum, all of the following:

(1) All estimated costs associated with branding and marking USAID programs, such as plaques, stickers, banners, press events, materials, and so forth.

(2) The intended name of the program, project, or activity.
(i) USAID requires the applicant to use the “USAID Identity,” comprised of the USAID logo and brand mark, with the tagline “from the American people” as found on the USAID Web site at https://www.usaid.gov/branding unless Section F of the RFA or APS state that the USAID Administrator has approved the use of an additional or substitute logo, seal or tagline.
(ii) USAID prefers local language translations of the phrase “made possible by (or with) the generous support of the American People” next to the USAID Identity when acknowledging contributions.
(iii) It is acceptable to cobrand the title with the USAID Identity and the applicant's identity.
(iv) If branding in the above manner is inappropriate or not possible, the applicant must explain how USAID's involvement will be showcased during publicity for the program or project.
(v) USAID prefers to fund projects that do not have a separate logo or identity that competes with the USAID Identity. If there is a plan to develop a separate logo to consistently identify this program, the applicant must attach a copy of the proposed logos. Section F of the RFA or APS will state if an Administrator approved the use of an additional or substitute logo, seal, or tagline.

(3) The intended primary and secondary audiences for this project or program, including direct beneficiaries and any special target segments.

(4) Planned communication or program materials used to explain or market the program to beneficiaries.
(i) Describe the main program message.
(ii) Provide plans for training materials, posters, pamphlets, public service announcements, billboards, Web sites, and so forth, as appropriate.
(iii) Provide any plans to announce and promote publicly this program or project to host country citizens, such as media releases, press conferences, public events, and so forth. Applicants must incorporate the USAID Identity and the message, “USAID is from the American People.”
(iv) Provide any additional ideas to increase awareness that the American people support this project or program.

(5) Information on any direct involvement from host-country government or ministry, including any planned acknowledgement of the host-country government.

(6) Any other groups whose logo or identity the applicant will use on program materials and related materials. Indicate if they are a donor or why they will be visibly acknowledged, and if they will receive the same prominence as USAID.

f. The Agreement Officer will review the Branding Strategy to ensure the above information is adequately included and consistent with the stated objectives of the award, the applicant's cost data submissions, and the performance plan.

g. If the applicant receives an assistance award, the Branding Strategy will be included in and made part of the resulting grant or cooperative agreement.

Marking Plan – Assistance (June 2012)

Applicants recommended for an assistance award must submit and negotiate a "Marking Plan," detailing the public communications, commodities, and program materials, and other items that will visibly bear the "USAID Identity," which comprises of the USAID logo and brand mark, with the tagline "from the American people." The USAID Identity is the official marking for the Agency and is found on the USAID Web site at http://www.usaid.gov/branding. Section F of the RFA or APS will state if an Administrator approved the use of an additional or substitute logo, seal, or tagline.

1. The request for a Marking Plan, by the Agreement Officer from the applicant, confers no rights to the applicant and constitutes no USAID commitment to an award.
2. Failure to submit and negotiate a Marking Plan within the time frame specified by the Agreement Officer will make the applicant ineligible for an award.
3. The applicant must include all estimated costs associated with branding and marking USAID programs, such as plaques, stickers, banners, press events, materials, and so forth, in the budget portion of the application. These costs are subject to the revision and clarifications with the Agreement Officer and will be incorporated into the Total Estimated Amount of the grant, cooperative agreement or other assistance instrument.
4. The Marking Plan must include all of the following:

    (1) A description of the public communications, commodities, and program materials that the applicant plans to produce, and which will bear the USAID Identity as part of the award, including:

    (i) Program, project, or activity sites funded by USAID, including visible infrastructure projects or other sites physical in nature.
    (ii) Technical assistance, studies, reports, papers, publications, audio-visual productions, public service announcements, Web sites/Internet activities, promotional, informational, media, or communications products funded by USAID.
    (iii) Commodities, equipment, supplies, and other materials funded by USAID, including commodities or equipment provided under humanitarian assistance or disaster relief programs; and
    (iv) It is acceptable to cobrand the title with the USAID Identity and the applicant's identity.

(v) Events financed by USAID, such as training courses, conferences, seminars, exhibitions, fairs, workshops, press conferences and other public activities. If the USAID Identity cannot be displayed, the Recipient is encouraged to otherwise acknowledge USAID and the support of the American people.

(2) A table on the program deliverables with the following details:

(i) The program deliverables that the applicant plans to mark with the USAID Identity.
(ii) The type of marking and what materials the applicant will use to mark the program deliverables.
(iii)When in the performance period the applicant will mark the program deliverables, and where the applicant will place the marking.
(iv)What program deliverables the applicant does not plan to mark with the USAID Identity, and
(v) The rationale for not marking program deliverables.

(3) Any requests for an exemption from USAID marking requirements, and an explanation of why the exemption would apply. The applicant may request an exemption if USAID marking requirements would:

(i) Compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and materials. The applicant must identify the USAID Development Objective, Interim Result, or program goal furthered by an appearance of neutrality, or state why an aspect of the award is presumptively neutral. Identify by category or deliverable item, examples of material for which an exemption is sought.
(ii) Diminish the credibility of audits, reports, analyses, studies, or policy recommendations whose data or findings must be seen as independent. The applicant must explain why each particular deliverable must be seen as credible.
(iii)Undercut host-country government "ownership" of constitutions, laws, regulations, policies, studies, assessments, reports, publications, surveys or audits, public service announcements, or other communications. The applicant must explain why each particular item or product is better positioned as a host-country government item or product.
(iv)Impair the functionality of an item. The applicant must explain how marking the item or commodity would impair its functionality.
(v) Incur substantial costs or be impractical. The applicant must explain why marking would not be cost beneficial or practical.
(vi)Offend local cultural or social norms or be considered inappropriate. The applicant must identify the relevant norm and explain why marking would violate that norm or otherwise be inappropriate.
(vii)Conflict with international law. The applicant must identify the applicable international law violated by the marking.

5. The Agreement Officer will consider the Marking Plan's adequacy and reasonableness

and will approve or disapprove any exemption requests. The Marking Plan will be reviewed to ensure the above information is adequately included and consistent with the stated objectives of the award, the applicant's cost data submissions, and the performance plan.

6. If the applicant receives an assistance award, the Marking Plan, including any approved exemptions, will be included in and made part of the resulting grant or cooperative agreement, and will apply for the term of the award unless provided otherwise.

j) Funding Restrictions

Profit is not allowable for Recipients or subrecipients under this award. See 2 CFR 200.331 for assistance in determining whether a sub-tier entity is a subrecipient or contractor.

Construction may be authorized under this award.

USAID will not allow the reimbursement of pre-award costs under this award without the explicit written approval of the Agreement Officer.

Except as may be specifically approved in advance by the AO, all commodities and services that will be reimbursed by USAID under this award must be from the authorized geographic code specified in Section B.4 of this NOFO and must meet the source and nationality requirements set forth in 22 CFR 228.

k) Conflict of Interest Pre-Award Term (August 2018)

a. Personal Conflict of Interest

1. An actual or appearance of a conflict of interest exists when an applicant organization or an employee of the organization has a relationship with an Agency official involved in the competitive award decision-making process that could affect that Agency official's impartiality. The term "conflict of interest" includes situations in which financial or other personal considerations may compromise, or have the appearance of compromising, the obligations and duties of a USAID employee or Recipient employee.
2. The applicant must provide conflict of interest disclosures when it submits an SF-424. Should the applicant discover a previously undisclosed conflict of interest after submitting the application, the applicant must disclose the conflict of interest to the AO no later than ten (10) calendar days following discovery.

b. Organizational Conflict of Interest

The applicant must notify USAID of any actual or potential conflict of interest that they are aware of that may provide the applicant with an unfair competitive advantage in competing for this financial assistance award. Examples of an unfair competitive advantage include but are not limited to situations in which an applicant or the applicant's employee gained access to non-public information regarding a federal assistance funding opportunity, or an applicant or applicant's employee was substantially involved in the preparation of a federal assistance funding opportunity. USAID will promptly take appropriate action upon receiving any such notification from the applicant.

[**END OF SECTION D**]

SECTION E: APPLICATION REVIEW INFORMATION

1. Criteria

The merit review criteria prescribed here are tailored to the requirements of this particular NOFO. Applicants should note that these criteria serve to: (a) identify the significant matters which the applicants should address in their applications, and (b) set the standard against which all applications will be evaluated.

Technical and other factors will be evaluated relative to each other, as described here and prescribed by the Technical Application Format. The Technical Application will be scored by a Selection Committee (SC) using the criteria described in this section.

2. Review and Selection Process

Each application received by the deadline will be reviewed against the eligibility criteria outlined in Section C of this NOFO. Applications that do not meet the eligibility criteria will not be considered for award.

If an application is recommended for an award following this review, technical and cost clarification questions may or may not be issued to the apparently successful applicant(s). USAID will award to the responsible applicant whose application offers the greatest value to the USG based on technical approach and cost. Applications will be reviewed by a Merit Review Committee made up of USAID personnel.

a) Merit Review

USAID will conduct a merit review of all applications received that comply with the instructions in this NOFO. Applications will be reviewed and evaluated in accordance with the following criteria shown in descending order of importance. Each main merit review criterion will be assigned an adjectival rating.

Merit Review Criteria #1: Technical Approach

The extent to which the Technical Approach:

- Demonstrates a deep and nuanced understanding of political economy and conflict dynamics in southern Somalia and clearly identifies opportunities and challenges to building legitimate and effective institutions, as outlined in Section D, Subsection 5(d)(i).
- Includes contextually appropriate, evidenced-based and logically sequenced interventions at sufficient scale to achieve stated results, as outlined in Section D, Subsection 5(d)(i).
- Demonstrates how the Applicant will cultivate strong working relationships with key stakeholders, as outlined in Section D, Subsection 5(d)(i).
- Maximizes the achievement of results by effectively sequencing, layering, and integrating with other donor-funded programs, as outlined in Section D, Subsection 5(d)(i).
- Demonstrates how evidence generated from implementation will be used to inform decision-making and result in meaningful program adaptations in real-time, as outlined in Section D, Subsection 5(d)(i).

- Demonstrates how the Applicant will effectively integrate gender and social inclusion into program implementation, as outlined in Section D, Subsection 5(d)(i).
- Demonstrates how the Applicant will proactively identify and mitigate risks to project staff, partners and beneficiaries, and minimize the risk of exacerbating conflict as outlined in Section D, Subsection 5(d)(i).

Merit Review Criteria #2: Management Plan and Key Personnel
The extent to which the Management Plan and Key Personnel section:

- Demonstrates how roles and responsibilities are logically divided between project staff, partners and consultants and streamlined, as outlined in Section D, Subsection 5(d)(ii).
- Demonstrates how the Applicant will effectively ensure that project staff and partners reflect the diversity of the communities in which proposed interventions will be implemented in, as outlined in Section D, Subsection 5(d)(ii).
- Demonstrates that the Applicant's approach to establishing and maintaining an operational presence in hard-to-reach districts is feasible and realistic, as outlined in Section D, Subsection 5(d)(ii).
- Demonstrate that the Applicant's plan for expanding programming to new geographic locations and increasing the scale of interventions in existing programming locations is feasible and realistic.
- Demonstrates how the skill sets of proposed key personnel are complementary and necessary for successful program implementation, as outlined in Section D, Subsection 5(d)(ii).

Merit Review Criteria #3: Institutional Capacity
The extent to which the applicant:

- Demonstrates the technical and managerial capacity necessary for successful program implementation, as outlined in Section D, Subsection 5(d)(iii).
- Demonstrates how proposed organizations will complement one another and lead to the achievement of results outlined in Section A, as outlined in Section D, Subsection 5(d)(iii).
- Demonstrates its ability to effectively engage and empower local actors, as outlined in Section D, Subsection 5(d)(iii).
- Demonstrates capacity to carry out construction activities and ability to oversee construction - by self-performance or through subcontracts.

b) Business Review
The Agency will evaluate the cost application of the applicant(s) under consideration for an award as a result of the merit criteria review to determine whether the costs are allowable in accordance with the cost principles found in 2 CFR 200 Subpart E.

The Agency will also consider (1) the extent of the applicant's understanding of the financial aspects of the program and the applicant's ability to perform the activities within the amount requested; (2) whether the applicant's plans will achieve the program objectives with reasonable economy and efficiency; (3) whether any special conditions relating to costs should be included in the award; and (4) any proposed Cost-sharing contributions as a tie-breaker.

Proposed cost share, if provided, will be reviewed for compliance with the standards set forth in 2 CFR 200.306, 2 CFR 700.10, and the Standard Provision "Cost Sharing (Matching)" for U.S. entities, or the Standard Provision "Cost Share" for non-U.S. entities.

The AO will perform a risk assessment (2 CFR 200.206). The AO may determine that a pre-award survey is required to inform the risk assessment in determining whether the prospective Recipient has the necessary organizational, experience, accounting, and operational controls, financial resources, and technical skills – or the ability to obtain them – in order to achieve the objectives of the program and comply with the terms and conditions of the award. Depending on the result of the risk assessment, the AO will decide to execute the award, not execute the award, or award with “specific conditions” (2 CFR 200.208).

[**END OF SECTION E**]

SECTION F: FEDERAL AWARD ADMINISTRATION INFORMATION

1. Federal Award Notices

Award of the agreement contemplated by this NOFO cannot be made until funds have been appropriated, allocated and committed through internal USAID procedures. While USAID anticipates that these procedures will be successfully completed, potential applicants are hereby notified of these requirements and conditions for the award.

The Agreement 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 Agreement Officer.

Following selection of an awardee USAID will inform the successful applicant concerning the award. A notice of award signed by the Agreement Officer is the official authorizing document, which USAID will provide electronically to the successful applicant's main point of contact. USAID also will notify unsuccessful applicants concerning their status after selection has been made.

2. Administrative & National Policy Requirements

The resulting award from this NOFO will be administered in accordance with the following policies and regulations.

For US organizations: ADS 303, 2 CFR 700, 2 CFR 200, and Standard Provisions for U.S. Non-governmental organizations.

For Non US organizations: ADS 303, Standard Provisions for Non-U.S. Non-governmental Organizations.

See Annex 2, for a list of the Standard Provisions that will be applicable to any awards resulting from this NOFO.

The award will be administered by USAID/Somalia. The AO will designate an Agreement Officer Representative (AOR) to review, concur and/or approve certain items; please see the Substantial Involvement information of this RFA and subsequent Award document.

3. Reporting Requirements

The Recipient will be subject to the following reporting requirements covering financial reporting, program planning and performance monitoring reporting in accordance with 2 CFR 200.328 and 2 CFR 200.329

All written documentation (correspondence, reports, information sheets, etc.) for submission to USAID/Somalia Agreement Officer Representative (AOR) must be in English language, unless otherwise specified by the AOR.

(A) Financial Reporting:

The Recipient shall account for expenditures for activities carried out to ensure funds are used for their intended purposes. Financial reports shall be in accordance with 2 CFR 200.327.
The Recipient must submit the Federal Financial Form (SF-425) on a quarterly basis within 30 calendar days after the end of each USG fiscal quarter (i.e., October 30, January 30, April 30, July 30) to the AOR, the AO and to USAID/Washington M/CFO/CMP-LOC Unit at loc@usaid.gov in electronic format. A final financial report is due later than 90 days after the estimated completion date of this Agreement.

Accruals are the value of the liability recognized during the period for goods and/or services received but not disbursed, or goods and/or services invoiced but not recorded. USAID performs a quarterly accrual exercise at the end of each quarter; i.e., December 31, March 31, June 30, and September 30. Awardees are required to submit four quarterly accrual expenditures reports 15 days before the end of a quarter per year. The Recipient must submit a spreadsheet showing cumulative disbursements and estimated (un-disbursed) accruals to the AOR.

Electronic copies of the SF-425 can be found at https://www.usaid.gov/forms/sf-425. Line item instructions for completing the SF-425 can be found at:
https://www.usaid.gov/sites/default/files/documents/1868/636mab.pdf.

(B) Performance Reporting

i. Annual Work Plan:
The Recipient will develop an initial Annual Work Plan (AWP) for the first full fiscal year of the activity within 60 days after the effective date of the award. The AWP will be reviewed and approved by the AOR. The AWP will describe the Recipient's overall strategic approach to the program, describe the types of interventions the Recipient is likely to pursue and methods for measuring progress towards those objectives for the given fiscal year. Subsequent AWPs will cover each fiscal year (October 1 – September 30) and will be due 30 days before the beginning of each USG fiscal year (i.e., September 1).

ii. Activity Monitoring, Evaluation and Learning Plan:
The Recipient will submit an Activity Monitoring, Evaluation and Learning Plan (AMELP) within 90 days of award. The AMELP will cover the entire period of the Agreement and will be revised as needed, and in cases of a program modification including the addition of activities under the opportunity modules. The AOR will review and approve this plan. The AMELP must include a list of performance indicators and explain how data will be collected and analyzed for each indicator. The AMELP must consider indicator disaggregation by geographic location. When geographically disaggregated indicators are included, the AMELP must indicate the level of geographic detail at which the indicator data will be collected.

iii. Performance Reports:
The Recipient will prepare and submit Quarterly Performance
Reports to USAID. Reporting periods will coincide with USAID fiscal year quarters,

with reports due no later than thirty (30) days after the end of each quarter (i.e., January 30th for Q1, April 30th for Q2, July 30th for Q3 and October 30th for Q4). The AOR will review and approve these reports. The fourth quarterly report will serve as an Annual Performance Report and cover achievements during the previous fiscal year. A Final Performance Report is due within 90 days of the expiration of the award, with the Final Performance Report taking the place of the last Annual Performance Report.

iv. <u>Construction Implementation Plan:</u>

Within 90 days of award, the Recipient will submit for approval a concise but detailed Construction Implementation Plan covering planned construction activities in the award before beginning any construction activities. The Construction Implementation Plan, must include the following components:

- Detailed Work Plan for Infrastructure interventions.
- Architecture /Engineering (A/E) and Construction Services Procurement Plans –
    - The Recipient must pre-qualify construction contractors, use sealed bidding for the construction contract sourcing process, and Firm Fixed Price type contracts for construction works.
    - The Recipient must determine how to prepare engineering designs - through in-house staffing or outsourced.
    - The Recipient must use qualifications-based procurement procedures for A-E professional services unless waived by the AO.
    - The Recipient may use the capacity to provide engineering services in Somalia as a selection criterion for A/E contractors.
- Infrastructure Intervention Selection Approach – the Recipient must include a site selection matrix to evaluate and rank proposed infrastructure interventions. The site selection process must include at least the following criteria.
    - Contribution to the goals of the Activity.
    - Preliminary cost estimates.
    - Documented community input.
- Construction Health and Safety Plan
- Construction Schedule (e.g., Gantt chart)
- Quality Management Plan, including quality control and assurance procedures during the design and construction phases.
- Organizational Chart or Staffing Plan (For A/E Design and Construction Activities).
- Additional Inspection and performance reports to monitor the progress of construction.
- Construction Work Method Statement.
- Gender Considerations During Construction

v. <u>Contributions to USAID/Somalia's Weekly Update:</u>

USAID/Somalia produces and disseminates a weekly update to the interagency highlighting key programmatic achievements. The Recipient must provide a few paragraphs to the AOR on a weekly basis highlighting key program achievements and major activities undertaken along with photos. The Recipient in consultation with the AOR will decide upon the frequency of these updates.

vi. Submissions to USAID's Development Experience Clearinghouse:
Recipient is required to submit performance reports, in English, to USAID's Development Experience Clearinghouse (DEC) by one of the following methods: through the public-facing and searchable https://dec.usaid.gov/, by email (docsubmit@usaid.gov), or through U.S. Postal Service delivery to the following address:

USAID Development Experience Clearinghouse
M/CIO/ITSD/KM
Ronald Reagan Building M. 01
U.S. Agency for International Development
Washington, DC 20523

The title page of all reports forwarded to USAID must include a descriptive title, the author's name, agreement number, the project number and titles, the Recipient's name, the name of the USAID office, and the publication or issuance date of the report.

vii. Data Reporting Requirements:
The Recipient must submit to the Development Data Library, at www.usaid.gov/data, in a machine-readable, non-proprietary format, a copy of any Dataset created or obtained in performance of this award, including Datasets produced by a sub-grantee. This report must also be distributed to the AOR, AO, and the Mission's M&E focal point.

viii. Additional Data Collection and Reporting Requirements:
The Recipient will upload performance results and narratives demonstrating progress against activity indicators through the Development Information Solution (DIS)[44], USAID's new data management system. DIS reporting requirements, including timing and frequency of submissions, format, and types of data will be determined in collaboration with the AOR.

Activity Location Data must be submitted by the Recipient/Contractor to USAID Somalia through the Development Information System (DIS) on a quarterly basis. In the event that there are exceptional limitations with uploading the location data in DIS, the IP must submit the location data to the respective A/COR through the Mission-approved Activity location data template. The Recipient must notify their A/COR of these exceptional limitations at the point of submission of the data.

The Recipient must collect and submit Activity Location Data according to the following

[44] DIS is a web-based, Agency-wide portfolio management system designed to capture one cohesive development story - from strategy to results. DIS enables USAID staff and implementing partners to perform a broad range of business operations, reporting and planning tasks in one place.

requirements and the geographic data collection and submission standards:

a. Location of Implementation: The location(s) where the activity is implemented must be collected at the Country, State, Region, and District Level but not at the Village Level due to concerns about security. Exceptions to this requirement must be discussed and agreed upon with the activity A/COR.

b. Location of Intended Beneficiaries: The location of the activity's intended beneficiaries must be collected at the District Level. Exceptions to this requirement must be discussed and agreed upon with the activity A/COR.

Activity Location Data must exclude personally identifiable information. If the Activity Location Data collected by the Recipient requires protection from unauthorized access to mitigate data risk, the Recipient must notify USAID before submitting the Activity Location Data to USAID and implement mitigation techniques to protect the data from unauthorized access in consultation with USAID. The Recipient must reference the following relevant guidance: ADS Chapter 579, ADS Reference 579MAA, ADS Reference 579MAB, ADS Reference 579SAA, ADS Reference 579 SAB.

ix. <u>Demobilization Plan</u>:
Six months prior to the completion date of the agreement, the Recipient will submit a demobilization plan to the AO and AOR for approval. The demobilization plan shall include:

i. Draft property disposition plan in accordance with award requirements, which must be approved by the AO.
ii. Plan for the phase-out of project operations
iii. Delivery schedule for all final liquidations, remaining reports or other deliverables required under the agreement.
iv. Report on the estimated amount of funds required for the completion of the award.
v. Report on compliance with all local labor laws, tax clearances, and other appropriate compliance matters.
vi. A schedule to address office leases, bank accounts, utilities, cell phones, personnel notification, outstanding payments, household shipments, vehicles, phone subscriptions, etc.
vii. Timetable for completing all required actions in the demobilization plan, including the submission date of the final property disposition plan to the AO.

If timelines for submissions are not identified above, they will be determined by the AOR. More detail on each reporting deliverable will be included in the eventual award. The Recipient will also consult with the AOR on the format and expected content of all reports prior to submission.

4. Program Income

USAID does not anticipate that there will be program income generated from this NOFO. However, if program income is generated, the AOR will provide direction to the Recipient in accordance with applicable federal regulations and/or Agency provisions.

5. Environmental Compliance

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 22 CFR 216 and in USAID's ADS Parts 201 and 204, which, in part, requires 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. All Recipient's environmental compliance obligations under these regulations and procedures are specified in the following paragraphs of this NOFO.

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.

USAID prepared an Initial Environmental Examination (IEE) for the People-Centered Governance Activity. The IEE will be approved prior to implementation. USAID may share the IEE with the Recipient upon request. The IEE covers activities expected to be implemented under this activity.

The Recipient shall be responsible for implementing all IEE conditions pertaining to activities to be funded under this contract. As part of its initial Work Plan, and all Annual Work Plans thereafter, the contractor in collaboration with the USAID Agreement Officer Representative and Mission Environmental Officer shall review all ongoing and planned activities under this contract to determine if they are within the scope of the approved Regulation 216 environmental documentation.

The Recipient shall prepare an Environmental Mitigation and Monitoring Plan (EMMP) describing how the Recipient will, in specific terms, implement all IEE 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. The Recipient shall integrate a completed EMMP into the initial work plan and integrate an EMMP into subsequent Annual Work Plans, making any necessary adjustments to activity implementation in order to minimize adverse impacts to the environment.

Climate Change: Climate Risk Executive Order 13677 on "Climate-Resilient International Development" requires USAID to assess and address climate risk across all its investments. Accordingly, a climate risk assessment was conducted for this activity. The CRM assessment under the IEE for this activity was rated as Moderate impact. The Recipient shall develop a climate risks adaptation plan as part of the EMMP showing how the climate change risks to the activity will be addressed. The adaptation plan shall include monitoring the implementation of the adaptation actions and their effectiveness.

6. Other Requirements

a) **Safety and Security Plan**: USAID/Somalia's 2020-2025 CDCS focuses in areas of south-central Somalia where violent extremist organizations such as al-Shabaab have the greatest influence. USAID/Somalia's primary concern is that implementing partners take all reasonable precautions to minimize risks to all staff and communities resulting from operations funded by USAID. While risk can never be fully eliminated, USAID expects its partners to be adequately prepared to work in any environment for which they submit an application. The Recipient will submit a location-specific Safety and Security Plan within 90 days of award. The Safety and Security Plan will detail how the Recipient will continuously monitor risks and ensure the safety and security of program staff, partners and physical assets. Submission of global security handbooks and/or policy documents does not satisfy USAID's requirements for a safety and security plan. Safety and security plans must be demonstrably written for and apply directly to the areas where activities are being proposed. USAID implementing partners should pay attention to the unique threats and vulnerabilities faced by national staff and directly address these threats and vulnerabilities in the Safety and Security Plan. Al-Shabaab (AS) has an extensive extortion network in Somalia and extracts extortion payments from people and businesses, including taxation on goods transported on roads through AS controlled territory and business profits. AS uses violence to enforce their extortion racket and businesses and people who refuse to pay AS are threatened with extreme violence. The Safety and Security plan must detail how the applicant plans to mitigate these risks and how it will report on allegations of aid diversion, fraud, waste, and abuse.

b) **Electronic Payments System**

SPECIAL SOMALIA CONDITIONS

The Recipient and its implementing partners have sole responsibility and discretion to determine the appropriate level of due diligence and procedures to prevent accidental, unintentional, or incidental payments or benefits to excluded parties (as defined below). Further guidance relating to this matter, as well as updates, is available in the Department of Treasury's Office of Foreign Assets Control (OFAC) regulations at title 31, chapter V of the Code of Federal Regulations and/or on OFAC's web site at http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx

The Recipient agrees to submit informational copies of its due diligence implementation plans to the Agreement Officer.

The parties agree that the following Special Conditions will apply to this award:

1. Consistent with the September 10, 2009, memorandum from the Department of State (State) to the Department of Treasury's OFAC, and with the September 16, 2009, memorandum from OFAC to State, both relating to State/USAID Somalia Programs (such memoranda attached hereto at Tab 1), the Recipient agrees that it and/or its implementing

partners (including contractors, grantees, sub-contractors, and sub-grantees) will not knowingly and voluntarily make payments or provide any other benefits to al-Shabaab, or to entities controlled by al-Shabaab, or to individuals acting on behalf of al-Shabaab (collectively, “excluded parties”). Such prohibited payments or other benefits would include:

(a) cash facilitation fees or other similar fees at roadblocks, ports, warehouses, airfields, or other transit points to excluded parties.

(b) purchases or procurement of goods or services from excluded parties; and

(c) payments to excluded parties as the de facto municipal authority.

2. The Recipient and its implementing partners (including sub-grantees) agree to exercise enhanced due diligence when providing assistance to Somalia under this award to avoid the accidental, unintentional, or incidental provision of such payments or benefits to excluded parties.

3. In the event that the Recipient or its implementing partners (including sub-grantees) becomes aware that it made a payment or provided a benefit to excluded parties, the Recipient shall, in accordance with 2 CFR 200.328 (d) and within ten days after becoming aware of such payment or provision of benefit, notify the Agreement Officer in writing, with a copy to the AOR, of such payment or provision of benefit. This notification shall include the following information:

a) Factual description of each such event.
b) Amount of funds expended, or other benefit provided for each such event.
c) Safeguards and procedures, including management and oversight systems, that were in place to help avoid the occurrence of such event; and,
d) Explanation of the reasons for each such payment or each such benefit provided, including whether it was made or provided knowingly, voluntarily, accidentally, unintentionally, incidentally, or forced.

[**END OF SECTION F**]

SECTION G: FEDERAL AWARDING AGENCY CONTACT(S)

Any prospective applicant desiring an explanation or interpretation of this NOFO must request it in writing by the deadline for questions specified in the cover letter to allow a reply to reach all prospective applicants before the submission of their applications. Oral explanations or instructions given before award of a Cooperative Agreement shall not be binding. Any information given to a prospective applicant concerning this NOFO will be furnished promptly to all other prospective applicants as an amendment of this NOFO, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective applicants.

1. NOFO Points of Contact

See Section D for Point of Contact (POC) for questions while this NOFO is open. For technical assistance related to Grants.gov, applicants may contact Helpdesk at 1-800-518-4726 or via email at support@grants.gov

2. Acquisition and Assistance Ombudsman

The A&A Ombudsman helps ensure equitable treatment of all parties who participate in USAID's acquisition and assistance process. The A&A Ombudsman serves as a resource for all organizations who are doing or wish to do business with USAID. Please visit this page for additional information: https://www.usaid.gov/work-usaid/acquisition-assistance-ombudsman

The A&A Ombudsman may be contacted via: Ombudsman@usaid.gov

[**END OF SECTION G**]

SECTION H: OTHER INFORMATION

USAID reserves the right to fund any or none of the applications submitted. The Agreement Officer is the only individual who may legally commit the Government to the expenditure of public funds. Any award and subsequent incremental funding will be subject to the availability of funds and continued relevance to Agency programming.

Applications with Proprietary 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 purpose, should mark the cover page with the following:

> "This application includes data that must not be disclosed, duplicated or used – in whole or in part – for any purpose other than to evaluate this application. If, however, an award is made as a result of – or in connection with – the submission of this data, the U.S. Government will have the right to duplicate, use, or disclose the data to the extent provided in the resulting award. 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 {insert sheet numbers}."

Additionally, the applicant must mark each sheet of data it wishes to restrict with the following:

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

[**END OF SECTION H**]

ANNEXES

ANNEX 1 - SUMMARY BUDGET TEMPLATE

The cost application must follow the attached format under Annex 1. Please provide the information requested for each year, the totals and a by line-item explanation. Add rows as necessary. All amounts in US $. If more sub awardees are proposed, please insert additional worksheets as needed.

ITEM	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Totals ($)**
LABOR						
ALLOWANCES						
FRINGE BENEFITS						
TRAVEL, TRANSPORTATION & PER DIEM						
EQUIPMENT AND SUPPLIES						
SUBAWARDS (Provide Detailed Budgets for each subaward)						
CONSTRUCTION (Plug Figure)						3,000,000
OPPORTUNITY MODULE A (Provide Detailed Budget – Please note each Opportunity Module is estimated at $5M which includes a plug figure of $1M for Construction Activities)						5,000,000

OPPORTUNITY MODULE B (Provide Detailed Budget – Please note each Opportunity Module is estimated at $5M which includes a plug figure of $1M for Construction Activities)						5,000,000
OPPORTUNITY MODULE C (Provide Detailed Budget – Please note each Opportunity Module is estimated at $5M which includes a plug figure of $1M for Construction Activities)						5,000,000
OTHER DIRECT COSTS						
INDIRECT COSTS						
TOTAL ESTIMATED AMOUNT						

[**END OF ANNEX 1**]

ANNEX 2 - STANDARD PROVISIONS

(Note: the full text of these provisions may be found at:

https://www.usaid.gov/ads/policy/300/303maa, https://www.usaid.gov/ads/policy/300/303mab, and https://www.usaid.gov/ads/policy/300/303mat). The actual Standard Provisions included in the award will be dependent on the organization that is selected (or the type of award, in the case of a fixed amount award). The award will include the latest Mandatory Provisions for either U.S. or non-U.S. Nongovernmental organizations, as appropriate**.** The award will also contain the following "required as applicable" Standard Provisions:

Please note that the resulting award will include all standard provisions (both mandatory and required as applicable) in full text.

REQUIRED AS APPLICABLE STANDARD PROVISIONS FOR U.S. NONGOVERNMENTAL ORGANIZATIONS

Required	Not Required	Standard Provision
TBD		RAA1. NEGOTIATED INDIRECT COST RATES - PREDETERMINED (NOVEMBER 2020)
		RAA2. NEGOTIATED INDIRECT COST RATES - PROVISIONAL (Nonprofit) (NOVEMBER 2020)
		RAA3. NEGOTIATED INDIRECT COST RATE - PROVISIONAL (Profit) (DECEMBER 2014)
		RAA4. INDIRECT COSTS – DE MINIMIS RATE (NOVEMBER 2020)
	No	RAA5. EXCHANGE VISITORS AND PARTICIPANT TRAINING (JUNE 2012)
	No	RAA6. VOLUNTARY POPULATION PLANNING ACTIVITIES – SUPPLEMENTAL REQUIREMENTS (JANUARY 2009)
	No	RAA7. PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (APRIL 1998)
	No	RAA8. CARE OF LABORATORY ANIMALS (MARCH 2004)
	No	RAA9. TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE) (NOVEMBER 1985)
	No	RAA10. COST SHARING (MATCHING) (FEBRUARY 2012)
	No	RAA11. PROHIBITION OF ASSISTANCE TO DRUG TRAFFICKERS (JUNE 1999)
	No	RAA12. INVESTMENT PROMOTION (NOVEMBER 2003)
Yes		RAA13. REPORTING HOST GOVERNMENT TAXES (DECEMBER 2014)
Yes		RAA14. FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JUNE 2012)
	No	RAA15. CONSCIENCE CLAUSE IMPLEMENTATION (ASSISTANCE) (FEBRUARY 2012)
	No	RAA16. CONDOMS (ASSISTANCE) (SEPTEMBER 2014)
	No	RAA17. PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING (ASSISTANCE) (SEPTEMBER 2014)
Yes		RAA18. USAID DISABILITY POLICY - ASSISTANCE (DECEMBER 2004)

Yes		RAA19. STANDARDS FOR ACCESSIBILITY FOR THE DISABLED IN USAID ASSISTANCE AWARDS INVOLVING CONSTRUCTION (SEPTEMBER 2004)
	No	RAA20. STATEMENT FOR IMPLEMENTERS OF ANTI-TRAFFICKING ACTIVITIES ON LACK OF SUPPORT FOR PROSTITUTION (JUNE 2012)
	No	RAA21. ELIGIBILITY OF SUBRECIPIENTS OF ANTI-TRAFFICKING FUNDS (JUNE 2012)
	No	RAA22. PROHIBITION ON THE USE OF ANTI-TRAFFICKING FUNDS TO PROMOTE, SUPPORT, OR ADVOCATE FOR THE LEGALIZATION OR PRACTICE OF PROSTITUTION (JUNE 2012)
Yes		RAA23. UNIVERSAL IDENTIFIER AND SYSTEM FOR AWARD MANAGEMENT (NOVEMBER 2020)
Yes		RAA24. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (NOVEMBER 2020)
	No	RAA25. PATENT REPORTING PROCEDURES (NOVEMBER 2020)
	No	RAA26. ACCESS TO USAID FACILITIES AND USAID'S INFORMATION SYSTEMS (AUGUST 2013)
Yes		RAA27. CONTRACT PROVISION FOR DBA INSURANCE UNDER RECIPIENT PROCUREMENTS (DECEMBER 2014)
Yes		RAA28. AWARD TERM AND CONDITION FOR RECIPIENT INTEGRITY AND PERFORMANCE MATTERS (April 2016)
	No	RAA29. RESERVED
	No	RAA30. PROGRAM INCOME (AUGUST 2020)
Yes		RAA31. NEVER CONTRACT WITH THE ENEMY (NOVEMBER 2020)

REQUIRED AS APPLICABLE STANDARD PROVISIONS FOR NON-U.S. NONGOVERNMENTAL ORGANIZATIONS

Required	Not Required	Standard Provision
TBD		RAA1. ADVANCE PAYMENT AND REFUNDS (NOVEMBER 2020)
		RAA2. REIMBURSEMENT PAYMENT AND REFUNDS (DECEMBER 2014)
TBD		RAA3. INDIRECT COSTS – NEGOTIATED INDIRECT COST RATE AGREEMENT (NICRA) (NOVEMBER 2020)
		RAA4. INDIRECT COSTS – CHARGED AS A FIXED AMOUNT (NONPROFIT) (JUNE 2012)
		RAA5. INDIRECT COSTS – DE MINIMIS RATE (NOVEMBER 2020)
Yes		RAA6. UNIVERSAL IDENTIFIER AND SYSTEM OF AWARD MANAGEMENT (NOVEMBER 2020)
Yes		RAA7. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (NOVEMBER 2020)
Yes		RAA8. SUBAWARDS (DECEMBER 2014)
Yes		RAA9. TRAVEL AND INTERNATIONAL AIR TRANSPORTATION (DECEMBER 2014)
	No	RAA10. OCEAN SHIPMENT OF GOODS (JUNE 2012)
Yes		RAA11. REPORTING HOST GOVERNMENT TAXES (JUNE 2012)
	No	RAA12. PATENT RIGHTS (JUNE 2012)
	No	RAA13. EXCHANGE VISITORS AND PARTICIPANT TRAINING (JUNE 2012)
	No	RAA14. INVESTMENT PROMOTION (NOVEMBER 2003)

	No	RAA 15. COST SHARE (JUNE 2012)
	No	RAA16. PROGRAM INCOME (AUGUST 2020)
Yes		RAA17. FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JUNE 2012)
Yes		RAA18. STANDARDS FOR ACCESSIBILITY FOR THE DISABLED IN USAID ASSISTANCE AWARDS INVOLVING CONSTRUCTION (SEPTEMBER 2004)
	No	RAA19. PROTECTION OF HUMAN RESEARCH SUBJECTS (JUNE 2012)
	No	RAA20. STATEMENT FOR IMPLEMENTERS OF ANTI-TRAFFICKING ACTIVITIES ON LACK OF SUPPORT FOR PROSTITUTION (JUNE 2012)
	No	RAA21. ELIGIBILITY OF SUBRECIPIENTS OF ANTI-TRAFFICKING FUNDS (JUNE 2012)
	No	RAA22. PROHIBITION ON THE USE OF ANTI-TRAFFICKING FUNDS TO PROMOTE, SUPPORT, OR ADVOCATE FOR THE LEGALIZATION OR PRACTICE OF PROSTITUTION (JUNE 2012)
	No	RAA23. VOLUNTARY POPULATION PLANNING ACTIVITIES – SUPPLEMENTAL REQUIREMENTS (JANUARY 2009)
	No	RAA24. CONSCIENCE CLAUSE IMPLEMENTATION (ASSISTANCE) (FEBRUARY 2012)
	No	RAA25. CONDOMS (ASSISTANCE) (SEPTEMBER 2014)
	No	RAA26. PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING(ASSISTANCE) (SEPTEMBER 2014)
	No	RAA27. LIMITATION ON SUBAWARDS TO NON-LOCAL ENTITIES (JULY 2014)
Yes		RAA28. CONTRACT PROVISION FOR DBA INSURANCE UNDER RECIPIENT PROCUREMENTS (DECEMBER 2014)
Yes		RAA29. CONTRACT AWARD TERM AND CONDITION FOR RECIPIENT INTEGRITY AND PERFORMANCE MATTERS (April 2016)
	No	RAA30. RESERVED
Yes		RAA31. NEVER CONTRACT WITH THE ENEMY (NOVEMBER 2020)

STANDARD PROVISION FOR CONSTRUCTION ACTIVITIES IN FULL TEXT

LIMITING CONSTRUCTION ACTIVITIES (AUGUST 2013)

a) Construction is not eligible for reimbursement under this award unless specifically identified in paragraph d) below.

b) Construction means —construction, alteration, or repair (including dredging and excavation) of buildings, structures, or other real property and includes, without limitation, improvements, renovation, alteration and refurbishment. The term includes, without limitation, roads, power plants, buildings, bridges, water treatment facilities, and vertical structures.

c) Agreement Officers will not approve any subawards or procurements by Recipients for construction activities that are not listed in paragraph d) below. USAID will reimburse allowable costs for only the construction activities listed in this provision not to exceed the amount specified in the construction line item of the award budget. The Recipient must receive prior written approval from the AO to transfer funds allotted for construction activities to other cost categories, or vice versa.

d) Description -PCG small-scale infrastructure construction projects to support districts responding to community-identified priorities and expand or improve existing public services, including health, education, water and sanitation, and disaster risk reduction.

e) The Recipient must include this provision in all subawards and procurements and make vendors providing services under this award and subrecipients aware of the restrictions of this provision.

[END OF PROVISION]

[**END OF ANNEX 2**]

ANNEX 3 - ABBREVIATIONS AND ACRONYMS

AO	Agreement Officer
AOR	Agreement Officer's Representative
AFR	Bureau for Africa
ADS	Automated Directives Systems
AMELP	Activity Monitoring, Evaluation and Learning Plan
CA	Cooperative Agreement
CFR	Code of Federal Regulations
DCF	District Council Formation
DO	Development Objective
FAA	Foreign Assistance Act
NOFO	Notice of Funding Opportunity
PCG	People-Centered Governance Activity
PD	Program Description
TOC	Theory of Change
USAID	United States Agency for International Development
WF	Wadajir Framework

[**END OF ANNEX 3**]

[END OF NOFO]