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პროექტი ზრდა საქართველოში
ZRDA ACTIVITY IN GEORGIA



Request for Applications (RFA) No. 095-1011-002-S-2019

Issuance Date: **October 30, 2019**

Deadline for Applications: **November 29, 2019**

Dear Applicant:

USAID Zrda Activity (Zrda), implemented by Chemonics International, is seeking sub award applications for implementation of ***program supporting existing catering businesses to expand and increase their profitability***. The sub awards will be awarded and implemented in accordance with USAID and US Government regulations governing sub awards under cooperative agreements and Zrda's internal sub award management policies.

The project will hold pre-application workshops in Zrda regional offices according to the following schedule:

November 6, 2019 at 14:00 - Akhmeta at 36, Leselidze Street (Zrda office)
November 8, 2019 at 10:30 - Marneuli, at 48, Rustaveli Street (RDA office)
November 11, 2019 at 14:00 - Borjomi, at 107a, S. Rustaveli Street (Hotel „Borjomis Kheoba”)
November 12, 2019 at 10:30 - Akhaltsikhe at 21, David and Konstantine Street (Zrda office)
November 18, 2019 at 11:00 - Gori, at 27/1, Stalin Avenue (Zrda office)
November 19, 2019 at 11:00 - Zugdidi, at 3, R. Lagidze Street (CHCA office)

The workshops will allow eligible and interested applicants the chance to ask questions about the RFA and receive guidance on how to complete the application form. No reimbursement for costs of attendance will be met.

Project and Chemonics employees may not ask for, and applicants are prohibited from offering, any money, fee, commission, credit, gift, gratuity, thing of value, or compensation to obtain or reward improper favorable treatment regarding this solicitation. Any improper request from a project employee should be reported to the chief of party, Brian King at bking@zrda.ge or BusinessConduct@chemonics.com.

Annexes included with this Request for Applications:

- **Annex A** – Concept paper application Form
- **Annex B** – Required Certifications
 - *Certification of “Representation by Organization Regarding a Delinquent Tax Liability or a Felony Criminal Conviction (AAPD 14-03, August 2014)”*
 - *Prohibition on Providing Federal Assistance to Entities that Require Certain Internal Confidentiality Agreements – Representation (May 2017)*
- **Annex C** – Mandatory and Required As Applicable Standard Provisions



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- Standard Provisions for U.S. and Non-U.S. Nongovernmental organizations receiving a fixed amount award can be accessed through the following URL:
<http://www.usaid.gov/sites/default/files/documents/1868/303mat.pdf>
- Standard Provisions for Non-U.S., Nongovernmental recipients receiving all other types of sub awards can be accessed through the following URL:
<http://www.usaid.gov/sites/default/files/documents/1868/303mab.pdf>

Annex D– List of Zrda target communities

SECTION I. PROGRAM DESCRIPTION

IA. OBJECTIVE

Zrda announces the grants program for catering industry actors to support micro, small and medium size enterprise development in line with the technical support to improve business and technical skills through individual consultation/coaching.

The main objective of the Grants Program is to foster tourism sector development by supporting growth and empowerment of the existing businesses within project target geographical area. Zrda intends competitiveness improvement of tourism industry actors through implementing grants program in line with diverse organizational, technical and workforce capacity enhancement programs.

IB. BACKGROUND

USAID Zrda Activity in Georgia is a five-year project financed by USAID and implemented by Chemonics International. The goal of Zrda is to strengthen the skills, productivity, and networks of local actors – from vulnerable households to Micro, Small, and Medium Enterprises (MSMEs) – so that they can contribute to broad-based economic growth and strengthened resilience in target communities. Zrda will improve MSME development and growth, increase rural households' ability to generate income, and foster enduring market linkages between producers and buyers to strengthen the market system. As a result, Zrda will create jobs and increase sales for MSMEs and incomes for households, bolstering the resilience and livelihoods of targeted communities.

IC. DETAILED PROGRAM DESCRIPTION

Zrda intends to create access to finance opportunity for catering businesses operating in Zrda target areas as well as further supporting their capacity building. For this purpose, Zrda initiates to offer a multi-component individual consultation/coaching package to restaurants, cafés as well as accommodation providers offering food services based in Zrda Target municipalities. Zrda is hereby requesting applications from eligible candidates. The grants program consists of two components enlisted below:

- **Component A** - individual consultation/coaching program in 4 directions according to the needs of beneficiaries:
 - ✓ Concept creation
 - ✓ Menu creation (with calculations)
 - ✓ HR structure and service plus
 - ✓ Gastro marketing and communications



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- **Component B** – to get Zrda funding for the procurement of relevant equipment, materials and/or services for the capacity development of catering businesses. Examples of eligible expenses include, but are not exclusive to the following:
 - ✓ Restaurant and catering equipment
 - ✓ Packaging materials and/or equipment
 - ✓ Staff training and capacity building
 - ✓ Software programs
 - ✓ Uniforms
 - ✓ Service-related equipment
 - ✓ Digital and printed marketing materials for an existing or new product/service, including website development, branding/logo development, and other related services
 - ✓ Furniture and decorations for businesses
 - ✓ Computers and other related equipment that will contribute to improved business management practices
 - ✓ Generators, solar panels, or other small electricity generation systems

Initiatives aiming at renovation or construction will not be considered. Renovation/Construction related costs can be covered by the applicant's portion.

The activity consists of two phases:

Phase 1:

Zrda will evaluate concept notes received in response to this RFA and select potential awardees. Evaluation will be based on the criteria as given in the **Section VA1**.

Zrda requires to make it mandatory for all the selected applicants to go through the consultation/coaching process (component A) to be eligible for component B.

As part of the component A, Zrda's pre-selected vendor/service provider will conduct needs assessment and individual consultations to the selected applicants.

Service provider will provide each business with recommended directions from suggested package.

Phase 2:

After the finalization of component A, all the applicants will be able to send the full application package (including budget and procurement plan) to Zrda. At this stage, applicants will take into consideration the recommendations issued by Zrda service provider.

The evaluation committee will evaluate the applications against the criteria given in **Section VA2** identify the final list of awardees.

Priority will be given to the most clearly demonstrated commercial/business element of the initiative. Evaluation committee may engage field experts during the evaluation process.

The Grants program is dedicated for existing or new businesses from the catering industry.



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ID. AUTHORITY/GOVERNING REGULATIONS

Zrda sub awards are made under the authority of the U.S. Foreign Affairs Act and USAID's Advanced Directive System (ADS) 302.3.5.6, "Sub awards Under Contracts." Awards made to non-U.S. organizations will adhere to guidance provided under [ADS Chapter 303](#), "Sub awards and Cooperative Agreements to Non-Governmental Organizations" and will be within the terms of the USAID Standard Provisions as linked in the annexes, as well as the *Zrda* sub awards procedures.

ADS 303 references two additional regulatory documents issued by the U.S. Government's Office of Management and Budget (OMB) and the U.S. Agency for International Development:

- 2 CFR 200 [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E](#) (U.S. applicants are subject to 2 CFR 200 in its entirety)

Full text of 2 CFR 200 can be found at http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl and 2 CFR 700 at <http://www.ecfr.gov/cgi-bin/text-idx?SID=531ffcc47b660d86ca8bbc5a64eed128&mc=true&node=pt2.1.700&rgn=div5>. *Zrda* is required to ensure that all organizations receiving USAID sub award funds comply with the guidance found in the regulations referenced above, as applicable to the respective terms and conditions of their sub award awards.

Under the *Zrda* sub award program, USAID retains the right at all times to terminate, in whole or in part, *Zrda* sub award-making authorities.

SECTION II. AWARD INFORMATION

Zrda anticipates awarding up to GEL 218,000 that has been allotted for this activity through issuing 15 awards with each individual sub award in the range of up to GEL 14,535 (for both components). Final amount will be dependent upon sub award activities and final negotiation and may be lower or higher than that range.

Zrda budget is divided into two components:

- A. Costs for consultation/coaching package – up to GEL 4,535
- B. Costs for other materials/equipment/services – up to GEL 10,000

Leverage: No leverage is required from the grantees for component A. All grantees are required to provide 50% of the total budget of the component B as a leveraged contribution in cash ONLY. The budget should clearly detail which expenses are proposed to be covered from the *Zrda* sub-award and which costs will be covered through applicant's leveraged contributions. Leverage must be fully documented by invoices and other supporting documentation as may be required by *Zrda*. The leveraged contribution to the project must be paid prior to the disbursement of funds by *Zrda* or the procurement of equipment for the beneficiary by *Zrda*.

The duration of any sub award under this solicitation is expected to be no more than 1 year. The estimated start date of sub awards awarded under this solicitation is December 2019.

The type of sub award will be determined during the negotiation process.



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SECTION III. ELIGIBILITY

IIIA. ELIGIBLE RECIPIENTS

- Applicants must be a registered *Georgian organization*, formally constituted, recognized by and in good standing with appropriate *Georgian* authorities, and compliant with all applicable civil and fiscal regulations. Individuals are also eligible to apply, but he/she must be a Georgian citizen and must be willing to register as a taxpayer or individual entrepreneur before award.
- Applicants may only submit *one* application per prime organization under this RFA.
- Applicants must operate in Zrda target areas.
- Applicants must meet minimum leverage criteria (as set in Section II. Award Information). Those applicants who provide a higher leverage commitment will be evaluated more favourably. In kind contribution is considered as an additional leverage from grantee but will not be scored during evaluation.
- The following are required to be submitted as part of the application package in response to an RFA found in Annex E.
 - Certification of “Representation by Organization Regarding a Delinquent Tax Liability or a Felony Criminal Conviction (AAPD 14-03, August 2014)”
 - Prohibition on Providing Federal Assistance to Entities that Require Certain Internal Confidentiality Agreements – Representation (April 2015)
- For any sub award award(s) resulting from this solicitation that is other than in-kind and equivalent to \$25,000 USD or more, sub awardees will be required to provide a Data Universal Numbering System (DUNS) number at the time of award. If the applicant already has a DUNS number it should be included in their application. Otherwise, applicants will be expected to get a DUNS number before an award is made. Zrda will assist successful applicants with this process. DUNS numbers can be obtained online at <http://fedgov.dnb.com/webform/pages/CCRSearch.jsp>
- The project will work with the successful sub awardee to draft a marking and branding plan which will be annexed to the sub award agreement.
- Faith-based and community groups will receive equal opportunity for funding in accordance with the mandated guidelines laid out in ADS 303.3.28 except for faith-based organizations whose objectives are for discriminatory and religious purposes, and whose main objective of the sub award is of a religious nature.

Zrda encourages applications from new organizations who meet the above eligibility criteria.

SECTION IV – APPLICATION AND SUBMISSION INFORMATION

IVA. INSTRUCTIONS TO APPLICANTS

Applicants must propose strategies for the implementation of the program description described above, introducing innovations that are appropriate to their organizational strengths.



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IVA2. SUB AWARD APPLICATION

This is a two-stage application process. The first stage is for the applicant to submit a concept paper in the template given in Annex A. The *concept paper* must be signed by an authorized agent of the Applicant. All the applicants that successfully meet or exceed the merit review criteria as given in **Section VA1**, will go through the consultation/coaching process (component A) to be eligible for component B. As a second stage, all the applicants, that have gone through the first stage, will be invited to submit the full application package (including budget and procurement plan) to Zrda. Full applications will be evaluated against the criteria given in **Section VA2**.

IVA3. INELIGIBLE EXPENSES

Zrda sub award funds may not be utilized for the following:

- Construction or infrastructure activities of any kind.
- Labor related costs.
- Business working capital.
- Live animals.
- Ceremonies, parties, celebrations, or “representation” expenses.
- Purchases of restricted goods, such as: restricted agricultural commodities, motor vehicles including motorcycles, pharmaceuticals, medical equipment, contraceptive products, used equipment; without the previous approval of Zrda, or prohibited goods, prohibited goods under USAID regulations, including but not limited to the following: abortion equipment and services, luxury goods, etc.
- Alcoholic beverages.
- Purchases of goods or services restricted or prohibited under the prevailing USAID source/nationality (Cuba, Iran, North Korea and Syria).
- Any purchase or activity, which has already been made.
- Purchases or activities unnecessary to accomplish sub award purposes as determined by the Zrda.
- Prior obligations of and/or, debts, fines, and penalties imposed on the Sub awardee.
- Creation of endowments.

IVB. APPLICATION AND SUBMISSION INFORMATION

Concept papers shall be submitted in *English or Georgian*.

Concept papers should be submitted in *electronic AND/OR hard copy* to the Zrda offices at the addresses below and should reference **RFA No. 095-1011-002-S-2019**. Applications must be submitted no later than 17:00 local time, on **November 29, 2019**. Late or unresponsive applications will not be considered.

USAID Zrda Activity in Georgia Address

Akhmeta at 36, Leselidze Street (Zrda office)

Marneuli, at 48, Rustaveli Street (RDA office)

Akhaltzikhe at 21, David and Konstantine Street (Zrda office)

Gori, at 7, Stalin Avenue (Zrda office)



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Zugdidi, at 3, R. Lagidze Street (CHCA office)
Tbilisi, 9 N. Ramishvili street, I dead end (Zrda office)

EMAIL: subawards@zrda.ge

In addition to the concept paper application form, applicants should submit the following to *Zrda*:

- Signed and dated Required Certifications listed under section III.A
- A copy of the Applicant's valid legal registration,
- A copy of their latest audited financial statements, if any.

Please submit all questions concerning this solicitation to the attention of Zrda Sub awards team via email to subawards@zrda.ge. Zrda will assist applicants in understanding the application process, and can provide coaching in application development at the request of applicants.

SECTION V. APPLICATION MERIT REVIEW CRITERIA

As described above, applications will be evaluated in a two-step evaluation process:

- The first step is for applicants to submit a concept paper.
- If the concept paper is accepted and the applicant has gone through Component A, he/she/it will be asked to submit a more detailed application.

VA1. FIRST STEP - EVALUATION OF CONCEPT NOTES

All concept papers and applications will be reviewed by an internal review panel comprised of Zrda technical implementation staff, and recommendations may be vetted by a larger group. Concept papers will be evaluated against the criteria below.

- Does the organization meet the eligibility requirements?
- Does the organization's concept paper show/highlight relevant past performance in this area?
- Does the proposed activity fit within the Zrda objectives described in the RFA?
- Is the project design and technical approach feasible?
- Is the project sustainable/financially self-resilient?

VA2. SECOND STEP - EVALUATION OF FULL APPLICATIONS

More specific criteria will be used for evaluating full applications for those whose concept papers have been selected:

Full merit review criteria will be shared with applicants whose concept papers are selected as part of the full application .

Merit Review Category	Rating (Points)
Feasibility of Design & Technical Approach	20 Points
Management & Programmatic Capacity	30 Points
Cost effectiveness	20 points



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Project long term Sustainability/Financial Self-Reliance	20 Points
Applicant commits to create two or more new jobs (except from the applicant himself)	10 Points
Overall Score:	100 points

Note: Application scored less than 70 points, will not be considered.

These merit review criteria elements are described more fully below.

A. Feasibility of Design & Technical Approach. The quality and feasibility of the application in terms of the viability of the proposed technical approach, (i.e., the proposed technical approach can reasonably be expected to produce the intended outcomes), appropriateness of the proposed methodology, innovativeness, and the work plan for achieving project objectives to offer significant impacts on trade and investment in Egypt. The technical approach must directly contribute to the achievement of the ECP Program's expected results and performance under the activity, and must be measurable under one or more of the ECP Program's indicators for regulatory reform, streamlined business processes, workforce development or financial sector strengthening. Evaluation of approaches may include either approaches proven to be effective or new untried approaches with promise. Proposed mechanisms for monitoring and evaluation with objectively measurable indicators will also be appraised. **20 points**

B. Management and Programmatic Capacity. Evidence of the capability to undertake and accomplish the proposed activities and positively strengthen the environment for trade and investment. The application should demonstrate the organization's effectiveness in terms of internal structure, technical capacity, and key personnel, in meeting economic development goals. In addition, the organization must demonstrate adequate financial management capability. The evaluation will be based principally on the background, qualifications, reputation, appropriateness and skills of its key personnel; and the "track record," reputation, and achievements (including development of self-sufficient, sustainable activities) of the organization. **30 points**

C. Cost Effectiveness. The degree to which budgeting is clear and reasonable and reflects best use of organizational and sub award resources. *Those applicants who provide a higher leverage commitment will be evaluated more favourably. In kind contribution is considered as an additional leverage from grantee but will not be scored during evaluation.* **20 points**

D. Sustainability/Financial Self-Reliance. The extent to which the funded activity will result in building and strengthening the capacity of the community and local organizations, and whether the activity itself is sustainable or will promote sustainability of the organization. **20 points**

E. Job creation. Initiative which results in increased employment will be evaluated more favourably. **10 points**

Additionally, Zrda will ensure environmental soundness and compliance in design and implementation as required by 22 CFR 216.

SECTION VI. AWARD AND ADMINISTRATION INFORMATION

All sub awards will be negotiated, denominated and funded in *GEL*.



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All costs funded by the sub award must be allowable, allocable and reasonable. Sub award applications must be supported by a detailed and realistic budget as described in Section IV.

Issuance of this RFA and assistance with application development do not constitute an award or commitment on the part of *Zrda*, nor does it commit *Zrda* to pay for costs incurred in the preparation and submission of an application. Further, *Zrda* reserves the right to accept or reject any or all applications received and reserves the right to ask further clarifications from the offerors. Applicants will be informed in writing of the decision made regarding their application.

LIST ANNEXES –

- **Annex A** – Concept paper application form

- **Annex B** – Required Certifications

- *Certification of “Representation by Organization Regarding a Delinquent Tax Liability or a Felony Criminal Conviction (AAPD 14-03, August 2014)”*
- *Prohibition on Providing Federal Assistance to Entities that Require Certain Internal Confidentiality Agreements – Representation (April 2015)*

- **Annex C** – Mandatory and Required As Applicable Standard Provisions:

- Standard Provisions for U.S. and Non-U.S. Nongovernmental organizations receiving a fixed amount award can be accessed through the following URL:
<http://www.usaid.gov/sites/default/files/documents/1868/303mat.pdf>
- Standard Provisions for Non-U.S., Nongovernmental recipients receiving all other types of sub awards can be accessed through the following URL:
<http://www.usaid.gov/sites/default/files/documents/1868/303mab.pdf>

-**Annex D** – List of *Zrda* target communities