

# Funding Opportunity Notice: Youth Job Placement in Ethiopia

<b>Funding Opportunity:</b>	CATALYZE Innovative Blended Finance
<b>Funding Opportunity Number:</b>	<b>FON-CATALYZE-Ethiopia-2021-0158</b>
<b>Issuance Date:</b>	May 27, 2021
<b>Questions Due:</b>	N/A
<b>Bidder's Conference (virtual):</b>	<b>June 18, 2021</b>
<b>Deadline for Submission of Business Plans:</b>	<b>Accepted on a rolling basis through May 31, 2022</b>
<b>Submit Concept Papers To:</b>	<a href="mailto:EthiopiaMS4G.Procurement@thepalladiumgroup.com">EthiopiaMS4G.Procurement@thepalladiumgroup.com</a>

To Interested Offerors:

The purpose of this Funding Opportunity Notice (FON) is to solicit business plans from interested parties, wishing to receive funding from the Market Systems for Growth (MS4G) Activity of the CATALYZE Innovative Blended Finance (CATALYZE) program.

Palladium is implementing the Market Systems for Growth Activity, funded by the United States for International Development (USAID) and is seeking qualified sources to implement youth job placement activities in Ethiopia.

Qualified sources are invited to submit Business Plans for award of a subcontract (see definitions below) on a rolling basis:

Palladium on behalf of USAID anticipates awarding one or more subcontracts to fund selected proposals submitted in response to this FON.

Subject to availability of funds, Palladium intends to provide up to US\$1.2 million in total funding for activities to be implemented with individual value of awards expected to be up to US\$400,000 for placing at least 2,000 youth in jobs. Palladium reserves the right to fund any or none of the business plans submitted.

MS4G will hold an online Bidder's Conference to familiarize interested potential bidders with the opportunity and provide interested potential bidders with an opportunity to meet and collaborate with other potential bidders on consortia, as they desire. The Bidder's Conference will be recorded and the recording emailed to any potential bidders who request it, whether they were able to participate in the online Bidder's Conference or not. This is an attempt to ensure broad access to the information provided even for groups with limited digital connectivity. To receive an invitation to the Bidder's Conference, including detailed information, time, and link to the web event, please send an email to [EthiopiaMS4G.Procurement@thepalladiumgroup.com](mailto:EthiopiaMS4G.Procurement@thepalladiumgroup.com) with the subject line "Bidder's Conference: FON-CATALYZE-Ethiopia-2021-0158".

Palladium may award a subcontract as a result of any business plans received and evaluated.

For the purposes of this FON a funded Subcontract is defined as firm fixed price contract to procure goods or services at firm fixed prices, where payments are made for acceptable received and inspected services or goods in accordance with the stated criteria. Subcontracts may include profit or fee when priced.

The FON solicits business plans for interventions that will be implemented in Addis Ababa, Ethiopia and /or secondary cities more than 300,000 residents in the Tigray, Oromia, and Amhara regions of Ethiopia. Offerors should clearly mention the geographic areas in which project activities will be implemented.

Subcontracts will be administered in accordance with the terms and conditions of Firm Fixed Price Contracts under CATALYZE, which will be provided to the applicants selected for Phase II evaluation.

This FON is comprised of the following main sections:

1. Program Summary
2. Funding Opportunity Statement
3. Award Information

4. Eligibility Requirements
5. Business Plan & Submission Information
6. Business Plan Review Information
7. Award & Administration Information
8. Other Information

To be eligible for consideration, offerors must provide all required information in their application/proposal. Applications/business plans that are submitted late, incomplete, or are non-responsive will not be considered. Awards will be made to the responsible offerors whose concept best meet the requirements of this FON and the evaluation criteria contained herein.

Palladium requires that applications/business plans be submitted electronically (e-mailed) to [EthiopiaMS4G.Procurement@thepalladiumgroup.com](mailto:EthiopiaMS4G.Procurement@thepalladiumgroup.com) no later than the deadlines listed above.

Issuance of this FON does not constitute an award commitment on the part of Palladium, nor does it commit Palladiums to pay for any costs incurred in the preparation and submission of an application/proposal. Further, Palladium reserves the right to reject any or all applications/business plans received. Applications/business plans are submitted at the risk of the offeror and all preparation and submission costs are at the offeror's own expense.

Sincerely,

Katy Vickland  
Palladium Activity Manager

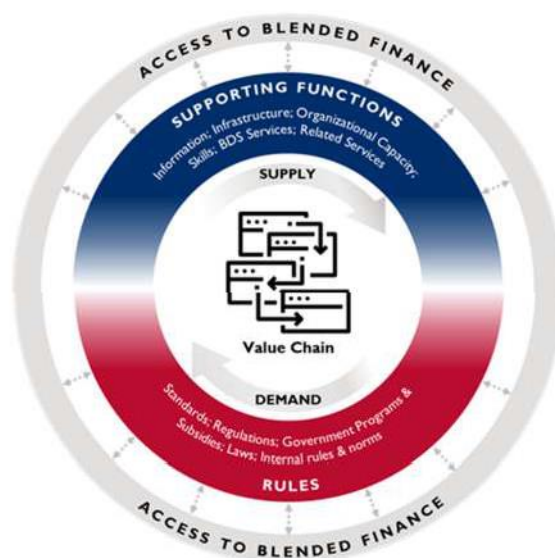
# INTRODUCTION

## 1. PROGRAM SUMMARY

The CATALYZE Blended Finance Mechanism is a \$250 Million, 8-year contract (5-year base period, with a single 3-year option period) which uses a facilitated partnership model to craft solutions to crowd in \$2 Billion in blended finance\* to USAID partner countries. CATALYZE's buy-in mechanism allows USAID Bureaus and Missions to efficiently deploy investment facilitation solutions that respond to the needs of specific sectors, issues, and geographies. Initial buy-ins focus on blended finance to implement sustainable education business models serving low-income communities, the focus of this market assessment. (\*Blended finance: in this context, the use of catalytic capital from both public or philanthropic sources to increase private-sector investment in developing countries for sustainable development.)

The USAID-funded CATALYZE Market Systems for Growth (MS4G) Activity is designed to strengthen the Ethiopian market system, create jobs, and expand exports through the use of blended finance. Specifically, it will leverage concessional financing to upskill and grow resource providers including financial service providers, business advisory service providers and job training and placement agencies, in addition to mobilizing finance for enterprises in target value chains including agribusiness, light manufacturing, and services, including information and communications technology (ICT) and fintech. Complementary activities will work closely with the Government of Ethiopia to enhance and strengthen the business enabling environment and other rules underlying the market system. To ensure optimal employment opportunities across all initiatives, there will be an emphasis on women and youth, not just in Addis Ababa, but in secondary cities across Ethiopia.

CATALYZE: MS4G Market System



## 2. FUNDING OPPORTUNITY STATEMENT

MS4G invites private sector, civil society, and knowledge institutions to submit Business Plans to create scalable solutions for preparing and placing youth in more and better jobs. Solutions bridge the mismatch between the demand for high quality jobs and the supply of skilled labor. They will be aligned with aspirations of young women and men in Addis Ababa and the target regions in Ethiopia.

The objective of this call for Business Plans is to prepare and place at least 2,000 youth in decent jobs in the formal sector in Addis Ababa and/or secondary cities in the Tigray, Oromia, and Amhara regions of Ethiopia. At least 50% of the jobs placed should be in secondary cities.

Decent jobs are defined as jobs in the formal economy, paying at least the minimum wage, providing the employee with all legally mandated benefits, and offering a career pathway for progression to higher-paying opportunities and careers.

This call is not prescriptive, but seeks innovative, cost-effective solutions to youth employment. Bidders have broad latitude to accomplish the proposed goal through a variety of means and approaches.

MS4G invites Business Plans which clearly emphasize the following Guiding Principles:

**Place youth in jobs.** MS4G supports initiatives that prepare youth for employment, including self-employment. Training and work preparation and support must be linked with successful job placement. Successful implementing partners must demonstrate that job opportunities exist for youth, and that the initiative will prepare youth with the competencies business requires to attain and retain the jobs.

**Actively target women.** MS4G has an explicit women's economic empowerment focus to strengthen the economic role of women as both entrepreneurs and employees. Fully 51% of the young people served by the proposed projects should be women. We require successful implementing partners to present a targeted strategy for ensuring women are not just considered and included but are actively engaged with and benefit from their project.

**Be private sector led.** MS4G supports private enterprise-led economic growth in Ethiopia. MS4G welcomes partnerships and consortium responses to this call. We seek market-based solutions. Thus, we expect projects to include at least one private sector partner and at least one partner with a local operating presence.

**Innovate and scale.** MS4G seeks initiatives that would not be possible without support. We will not fund existing operations or "business as usual." We seek to accelerate and scale market-driven innovation in job training and placement.

**Engage youth.** MS4G incorporates Positive Youth Development (PYD) in its programming. PYD programs recognize youth's inherent rights and result in youth who have assets (such as skills and access to finance), the ability to leverage those assets (agency), and the ability to contribute to positive change for themselves and their communities, surrounded by an enabling environment that supports them. Successful applicants will demonstrate how youth were involved in developing the solution and how these solutions contribute to youth goals and aspirations.

**Co-invest.** MS4G is focused on mobilizing private capital for job creation, training, and placement. The MS4G contribution will be no more than half of the total project budget. Successful projects will demonstrate co-investment, either financially or in-kind, in the initiative.

**Contribute to sustainable market systems transformation.** MS4G takes a market systems approach to inclusive economic development. We will look for Business Plans that will build stronger market systems players which delineate clear pathways for the offeror and other workforce development market subsystem stakeholders to sustain and scale the innovative solutions. We seek innovative models that can be disseminated and scaled across Ethiopia to stimulate market systems transformation within the workforce development market subsystem.

Successful submissions will:

- Describe how they would identify priority job sectors; identify employers seeking job candidates; analyze the number and type of job vacancies in those sectors; and explain how youth would be identified, trained, linked, and placed in available jobs
- Place at least 2,000 youth in full-time equivalent, decent jobs in Addis Ababa or secondary cities in the Tigray, Oromia, and Amhara Regional States of Ethiopia. Jobs can include wage or salary jobs, or self-employment. Jobs can be across manufacturing, services, or agricultural. Jobs in growth sectors are preferred. Jobs cannot be in certain USAID prohibited sectors including cotton, sugar, palm oil, alcoholic beverages, or illegal or illicit sectors.
- Ensure that 51% of participants placed are women
- Ensure that at least 50% of the jobs placed are in secondary cities
- Ensure that employees retain the jobs for at least 6 months
- Provide leverage of at least 1:1 in financial or in-kind contributions. MS4G will provide from 10% to a

maximum of 50% of the total project budget, either through co-investment, technical assistance, or a combination of both.

- Demonstrate that youth, and especially young women, were involved in developing the proposed solution, and that these solutions will contribute to the goals and aspiration of youth, especially women, who will ultimately gain employment through the intervention.
- Match job seekers with jobs. We will look for business plans that include a clear, integrated job matching component. Any skills training program should demonstrate how job seekers are placed into employment.
- Demonstrate an ability to track, monitor and report on the youth benefiting from the program to assess ongoing performance and immediate outcome of project assistance.
- Demonstrate sustainability and scalability. As part of the design, prospective implementing partners should demonstrate how their initiatives will become independent of external funding as part of their business case. Highlight how the initiative will contribute to strengthening the youth employment value chain in the Ethiopian market system.

### 3. AWARD INFORMATION

#### **Estimated Funding Level**

Palladium expects to award several subcontracts and may choose to fully fund or incrementally fund the selected application/proposal(s). Awards may not exceed USD \$400,000 for Ethiopian and international organizations. Preference will be given to Ethiopian organizations with previous experience implementing projects in the related activity area and showing tangible results and impact.

#### **Anticipated Performance Period**

Palladium anticipates a performance period of up to 18 months for each award.

#### **Award Type**

Palladium anticipates awarding a Firm Fixed Price Subcontract as defined above. The award mechanism will be determined by the CATALYZE team through a pre-award determination process based on the nature of the proposed activity and the financial and management capacity of the selected organization. The award size, the number of awards and amount of available funding is subject to change.

### 4. ELIGIBILITY REQUIREMENTS

This FON is issued as a public notice to ensure that all interested and qualified organizations have a fair opportunity to submit applications for funding. The following criteria will be applied to all offerors to determine the eligibility of offerors:

- Submission of DUNS in the application/proposal unless exemption applies (awards less than \$25,000 performed by foreign entities overseas).
- Offeror is legally registered as a non-for profit or for-profit organization in accordance with the laws of Ethiopia and is in good standing, legally licensed and up to date on all applicable taxes
- Offeror has certified that it is not affiliated with any political party nor engaged in any partisan activities.
- Offeror submits all mandatory documents prior the deadline stipulated in the FON.
- Offeror has certified that it is receptive to participate in learning opportunities and commitment to participate in capacity building.

Certification of these requirements must be noted by completing Attachment A. Failure to submit this form will result in disqualification.

### **Types of Entities that May NOT Apply**

The following types of entities may not apply for CATALYZE awards:

- Political parties, political party organizations, Government of Ethiopia (GoE) parastatal institutions or GoE owned institutions are not eligible for grants or subcontracts;
- Organizations that have controlling interest held by a government, government agency, or agent thereof;
- Offerors with active exclusions from the working with the US government ([www.sam.gov](http://www.sam.gov)), the UN (Sanctions List), or the US Department of the Treasury Office of Foreign Asset Control;
- Any entity affiliated with Palladium or any of its directors, officers, or employees, and Individuals.

### **Potential New Partners**

Palladium strongly encourages applications/business plans from potential new partners initiatives (NPIs). NPIs are organizations which have never received funding from USAID directly or indirectly.

### **Cost Share and Leverage**

Cost share is not required. However, offerors are required to contribute leverage of at least 1:1 in financial or in-kind contributions resources from their own private or local sources for the implementation of the proposed concepts.

### **Procurement Integrity and Ethics**

It is Palladium's policy that no gifts of any kind and of any value be exchanged between offerors and Palladium personnel. Discovery of the same will be grounds for disqualification of the offeror from participation in any Palladium's procurements and may result in disciplinary actions against Palladium personnel involved in such discovered transactions.

## **5. PROPOSAL & SUBMISSION INFORMATION**

Full instructions for the business plan and budget are in Attachments B and C.

# Attachment A: Eligibility Certification

Name of Offeror: \_\_\_\_\_

FON Number: \_\_\_\_\_

Date of Application: \_\_\_\_\_

Application Title: \_\_\_\_\_

Eligibility Criteria	Yes	No
Submission of DUNS in the application unless exemption applies (awards less than \$25,000 performed by foreign entities overseas).		
Offeror is legally registered as a non-for profit or for-profit organization in accordance with the laws of Ethiopia and is in good standing, legally licensed and up to date on all applicable taxes		
Offeror has certified that it is not affiliated with any political party nor engaged in any partisan activities.		
Offeror submits all mandatory documents prior the deadline stipulated in the FON.		
Offeror has certified that it is receptive to participate in learning opportunities and commitment to participate in capacity building.		

Authorized Representative Signature \_\_\_\_\_

Authorized Representative Name \_\_\_\_\_

Date \_\_\_\_\_

Click here for word version: <http://catalyze-procurement.com/wp-content/uploads/2020/10/Attachment-A-Eligibility-Certification.docx>

# Attachment B: Business Plan Instructions

FON-CATALYZE-Ethiopia-2021-0158

Instructions: Business Plans

Deadline for Submission: Accepted on a rolling basis through May 31, 2022

## Instructions for Submission

Business plans have a 10-page limit, excluding annexes. Full business plans with required annexes are due on **May 31, 2022 (rolling basis)**. All materials must be in English.

Business plans must be submitted by email to [EthiopiaMS4G.Procurement@thepalladiumgroup.com](mailto:EthiopiaMS4G.Procurement@thepalladiumgroup.com) no later than the deadlines outline. All correspondence must include the relevant FON number and title.

## Business Plan Preparation

The business plan must be submitted in Times New Roman, font size 11, and must include page numbers. Each page must be marked with the FON title and number.

Business plans should be prepared according to the structural format set forth below:

1. Cover page (**Does not count towards page limit**)
2. Brief introduction/background of the company including the company profile and summary of technical approach and capability statement
3. Description of Activity Partner Roles, and Prior Demonstrated Success
  - a. What are you proposing to do? Please describe the role each partner will play, and their track record of success, particularly in Ethiopia.
4. Technical approach: This section should address the program summary and should include:
  - a. Concise title of proposed activity;
  - b. Discussion of the method of approach, including:
    - i. The demonstrated private sector engagement including the expected sectors and occupations for youth employment, and the expected employers, including estimates of the demand for employment
    - ii. The demonstrated youth engagement
    - iii. The proposed outreach to youth and women for training and job placement
    - iv. The types of support to be provided for youth preparation and job placement;
    - v. And the anticipated results (number of youths to be placed and retained in decent jobs).
  - c. The geographic focus or focusses of the proposed activity.
5. Brief description of offeror's, as well as prospective or existing partner(s') previous work or experience with testimonies in achieving activity goals both at Addis Ababa and Secondary cities.
6. Brief description of offeror's, as well as prospective or existing partner(s') previous work or experience in achieving activity goals.
7. Sustainability and Market Systems Transformation Plan
  - a. How will you plan to continue to train and place youth after USAID funding ends?
  - b. How will you engage with MS4G to contribute to expanding access to the innovative job placement model you are presenting, such as through associations, media coverage, participating in learning events, etc.
8. Personnel
  - a. Identify the Activity Manager and at least 3 additional personnel undertaking important roles in the activity, and briefly describe their roles and prior demonstrated success in their roles. It is recommended but not required that you indicate the personnel responsible for youth outreach, youth skill-building, business partnerships development, and youth job placement and support. (The Activity Manager may also serve in one of these technical capacities.)





# Attachment C: Budget Template Guidance

For this proposal, your organization will develop a detailed budget in anticipation of an eventual agreement with Palladium. Please use the budget template in the Excel file attached separately.

## 1. Direct Labor

Describes the type of expertise that will be needed, including:

- Number of positions
- Level of effort (LOE) for each for each position
- Expected nationality of the individuals filling each position
- Unit cost of each position

Salaries should be budgeted as base salary, so the rate of the position excluding any mandatory or optional benefits (i.e., health insurance, pension, or other offered benefits).

## 2. Fringe Benefits

If your company has a Negotiated Indirect Cost Rate Agreement (NICRA) with any U.S. Government agency that includes a fringe benefits rate, that rate may be used (provisional or final) to prepare the cost proposal with or without establishing not-to-exceed (NTE) rate ceilings. You can either lower the indirect cost and set up fixed NTE ceilings to be more competitive or leave them as indicated in the NICRA (“provisional”) to allow you to adjust indirect costs later, should your indirect rates change over the course of the contract (provided the contract cost ceiling allows it).

If you company does not have a NICRA, please estimate actual costs to be spent on fringe benefits for all employees, including local employees. Fringe costs should be budgeted per benefit and not presented as a lump sum.

## 3. Travel, Transportation and Per Diem

Travel, transportation and per diem (lodging, meals, and incidentals) costs are linked to people; the estimated staffing developed under *Direct Labor* should be used as a starting point.

All travel costs and per diem are subject to the contractor’s travel policy but must be based on reasonable market rates. All travel must be estimated at coach-class travel class.

Per Diem must not exceed the following rates:

For travel in	Rates set by	For per diem and actual expense see
Foreign Areas	Department of State	Section 925, <i>Government Civilians—Foreign Areas</i> , a per diem supplement to Department of State Standardized Regulations (Government Civilians—Foreign Areas), online at <a href="#">Foreign Per Diem Rates</a> .

## 4. Equipment

The definition of equipment varies depending on the type of implementing partner (for-profit, non-profit, university) and the type of implementing instrument (contract or grant). The following equipment list is not limited to any particular definition. It is intended to reflect the most common types of nonexpendable personal property and should be expanded or contracted as appropriate. Estimated equipment costs should include shipping if not purchased locally.

- Laptop and Desktop Computers
- Laser, Color or Other Printers
- Photocopiers and Scanners
- Cell Phones, Smartphones and PDAs
- Digital Cameras and Video Cameras

- SLR Cameras
- GPS Units
- Multimedia Projectors
- Satellite Phones
- AC Units
- Generators and Fuel Tanks
- Barcode Scanning Equipment

Equipment prices may be found online, and in advertisements and catalogues. All budgeted equipment needs to be explained in the cost narrative with a justification clearly tied to the technical proposal.

#### **11. Other Direct Costs (ODCs)**

ODCs is the catchall category for costs that do not logically fit the budget line items described here. The following are common ODCs:

- Office Rental
- Office Repair and Maintenance
- Equipment Repair and Maintenance
- Generator Fuel and Maintenance
- Vehicle Rental (with driver)
- Vehicle Fuel
- Office Supplies
- Internet Service
- Network Setup
- Furnishings
- Communications – SIM cards and top up cards

All ODC costs should be explained in the cost narrative.