

Funding Opportunity Notice: Youth Job Placement in Ethiopia

Funding Opportunity:	CATALYZE Innovative Blended Finance
Funding Opportunity Number:	FON-CATALYZE-Ethiopia-2020-0062
Issuance Date:	October 21, 2020
Questions Due:	November 4, 2020
Deadline for Submission of Concept Papers:	November 20, 2020
Submit Concept Papers To:	EthiopiaMS4G.Procurement@thepalladiumgroup.com

To Interested Offerors:

The purpose of this Funding Opportunity Notice (FON) is to solicit applications/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. The Selection Process will employ a two-step phased evaluation that shall progressively reduce the number of offerors considered for the final funding opportunity/opportunities.

The process will comprise of two stages:

Phase 1: Initial Review of Concept Papers and Evaluating Against Initial Phase 1 Criteria

Phase 2: Request for Full Business plans and/or Applications and Evaluation Against Phase 2 Criteria and Final Source Selection for award of a subcontract or grant (see definitions below).

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

Phase I: Concept Papers in response to this FON may be submitted during by the deadline and will be reviewed in accordance with the schedule for Concept Paper Submissions noted above. After review , successful offerors may be invited to submit full application/proposals, which if selected, may result in a grant or a subcontract, as defined further below. Successful applications/business plans will be selected for funding by the CATALYZE/Palladium Source Selection Team.

Subject to availability of funds, Palladium intends to provide up to US\$326,600 in total funding for activities to be implemented with individual value of awards expected to be up to US\$163,300. Palladium reserves the right to fund any or none of the applications/business plans submitted.

Submission of questions: Questions on this FON should be addressed to EthiopiaMS4G.Procurement@thepalladiumgroup.com and will be reviewed and answered according to the schedule above and circulated via email to all offerors who submitted concepts papers before each review round. The deadlines for receipt of questions are listed above. Telephone calls regarding technical content will not be entertained.

Palladium may award a subcontract or a grant as a result of any applications/business plans received and evaluated under Phase 2.

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.

For the purposes of this FON a funded grant is defined as an agreement by Palladium to fund the grantee on cost reimbursable or fixed price basis to carry out innovative concept proving, R&D or other work, which may or may not produce a desired final objective or a result. Grants shall not include any profit or fee when priced.

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

Grants will be administered in accordance with terms and conditions in the FAA sample grant or other conditions to be negotiated for a cost reimbursable grant, which will be provided to the applicants selected for Phase II evaluation.

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. Application/Proposal & Submission Information
6. Application/Proposal 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 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

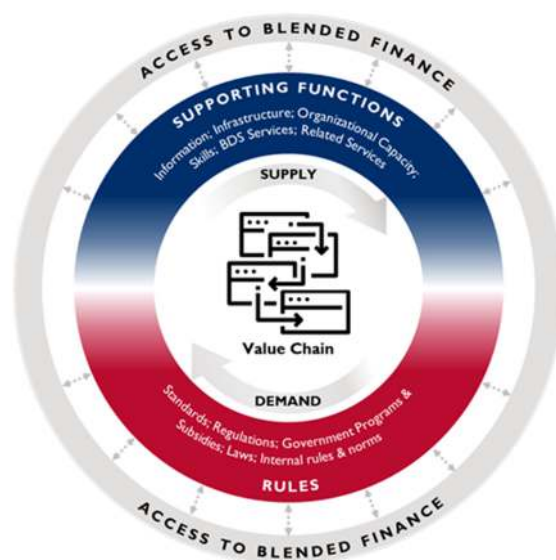
INTRODUCTION

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 concept papers 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 labour. 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 concept papers is to prepare and place 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.

Youth are defined as individuals from 18-29. 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 concept papers 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. For the concept paper stage, applicants are encouraged but not required to identify a source or sources of co-investment, as MS4G will serve as a matchmaking platform for blended finance for preparing and placing youth in jobs.

Contribute to sustainable market systems transformation. MS4G takes a market systems approach to inclusive economic development. We will look for concept papers that will build stronger market systems players which delineate clear pathways to sustain and scale the innovative solutions.

Successful submissions will:

- Describe how they would identify priority job sectors; identify employers seeking job candidates; analyse 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 in a period of 6 months. 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 women are placed in sectors considered to be non-traditional based on the proportion of women currently employed in the sector
- 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. MS4G will serve as a matchmaker to assist successful concept papers to access private capital, thus applicants are encouraged but not required to identify sources of leverage in the initial (concept paper) stage.

- 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 grants and/or subcontracts and may choose to fully fund or incrementally fund the selected application/proposal(s). Awards may not exceed USD \$163,300 for Ethiopian and international organizations. However, the final amount will be dependent upon the proposed activities and final negotiation that will take place in Phase II and may be lower or higher than that range. 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 9 months for each award.

Award Type

Palladium anticipates awarding Fixed Amount Award (FAA) or Cost Reimbursable Grants and/or 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 in Phase I 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), 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 (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. Palladium will work as needed with selected offerors in Phase 2 to find the required leverage.

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. APPLICATION/PROPOSAL & SUBMISSION INFORMATION

All applications for Phase 1 consideration must include the following:

1. Concept Paper

Palladium will review proposals/applications using a two-stage process. Offerors must first submit a concept paper of no more than five (5) pages directly to Palladium before submitting a full proposal/application. Concept papers must meet the identified needs of this solicitation.

Do not submit a full proposal/application unless requested by Palladium. Only upon receipt of positive Palladium feedback on the concept paper is the offeror requested to put together a full proposal/application for Palladium consideration, using the criteria below.

Awards will be subject to availability of funds. There is no guarantee a grant application or subcontract proposal submitted will be awarded.

The concept paper must be submitted in accordance with the instructions below and will be reviewed in terms of responsiveness to the FON and instructions. Specifically, concept papers must demonstrate application of the Guiding Principles, and fulfillment of the criteria for successful submissions, listed in Section 2 above.

Instructions for Concept Paper Preparation & Submission

In the first stage, all offerors are required to submit a short technical concept paper that is specific, complete and concise. The concept paper should demonstrate the offeror's capabilities and expertise with respect to achieving the goals of this program.

The concept paper 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.

Concept papers should be prepared according to the structural format set forth below:

1. Cover Page (not included in page count). The cover page must include:
 - a. FON number and name
 - b. Address of organization
 - c. Contact point (lead contact name; relevant telephone, fax, e-mail information);
 - d. Signature of authorized representative of the offeror.
2. Technical approach (no more than 3 pages): This section should address the program summary and selected objectives in Section I of this document 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 youth to be placed and retained in decent jobs.)
 - c. The geographic focus of the proposed activity; and
 - d. Type of support the offeror requests from USAID (e.g., funds, facilities, equipment, materials, etc.).
3. Brief description of offeror's, as well as prospective or existing partner(s') previous work or experience in achieving activity goals. (no more than 1 page)
4. Supporting information (no more than 1 page):
 - a. Proposed total estimated cost;
 - b. Brief cost breakdown (e.g., salaries, travel, etc.)
 - c. Proposed leverage (detailing whether leverage is financial or in-kind, and the source of the leverage, if known);
 - d. Proposed duration of the activity; and
5. Brief description of offeror's, as well as prospective or existing partner(s') previous work or experience in achieving activity goals.
6. Certification (not included in page count):
 - a. Completed Eligibility Certification (Attachment A)

All materials must be in English.

The concept paper must be submitted by email to EthiopiaMS4G.Procurement@thepalladiumgroup.com no later than the deadlines on the cover page of this FON. All correspondence must include the relevant FON number and title.

Palladium may contact offerors for clarifying questions.

Offerors that are not selected will be notified and may request a debrief.

Selected offerors will be notified and will be invited to submit a complete grant or subcontract application based on the information provided in the concept paper.

2. Other Important Information

Branding

In accordance with ADS 320, USAID policy is to require exclusive branding and marking in USAID direct acquisitions using any source of funds. Contractors and subcontractors' corporate identities or logos must not be used on USAID-funded program materials. Marking is not required on Contractor vehicles, offices, office supplies or other commodities used solely for administration of the USAID-funded program. Marking is

not permitted on any communications that are strictly administrative, rather than programmatic, in nature. USAID identity is also prohibited on Contractor and recipient communications related to award administration, such as hiring/firing of staff or renting office space and/or equipment.

Data Universal Numbering System (DUNS)

There is a mandatory requirement for the offeror to provide a DUNS number to Palladium. The Data Universal Numbering System is a system developed and regulated by Dun & Bradstreet (D&B) that assigns a unique numeric identifier, referred to as a "DUNS number" to a single business entity. Without a DUNS number, Palladium cannot deem an offeror to be "responsible" to conduct business with and therefore, Palladium will not enter into an agreement with any such organization. The award of a grant or subcontract resulting from this FON is contingent upon the winner providing a DUNS number to Palladium. Organizations who fail to provide a DUNS number will not receive an agreement and Palladium will select an alternate awardee.

All U.S. and foreign organizations which receive a grant or subcontract with a value of \$25,000 and above are required to obtain a DUNS number prior to signing of the agreement. Organizations are exempt from this requirement if the gross income received from all sources in the previous tax year was under \$300,000. Palladium requires that grant and subcontract offeror sign the self-certification statement if the offeror claims exemption for this reason. Documentation with Instructions for Obtaining a DUNS Number or a Self-Certification for Exemption from the DUNS Requirement can be obtained from the project issuing this FON.

6. APPLICATION/PROPOSAL REVIEW INFORMATION

1. Evaluation Criteria for Concept Paper

Concept papers will be reviewed in terms of responsiveness to the FON Program Opportunity Statement and instructions. Specifically, concept papers must demonstrate application of the Guiding Principles, and fulfillment of the criteria for successful submissions, listed in Section 2 above.

2. Evaluation Criteria for Full Application/Proposal

In Phase 2, selected offerors may participate in co-design sessions with Palladium to expand and refine the concept presented in Phase 1. Offerors will then be invited to submit a full application/proposal, which will be evaluated on the following criteria:

- Offeror's demonstrated capability to carry out proposed approach;
- Soundness and reasonableness of technical approach;
- Incorporation of feedback and guidance from co-design phase;
- Alignment with MS4G's youth job placement goals, objectives, Guiding Principles, and criteria for successful applicants as outlined above;
- Sustainability of approach in terms of offeror's incentives to sustain/expand the activities once USAID funding is completed.

Selected offerors will also be asked to submit a full cost proposal, which will be evaluated based on the following criteria:

- Realism and reasonableness of the work to be performed;
- Cost reflects a clear understanding of the requirements;
- Cost is consistent with various elements of the technical requirements;
- Incorporation of leverage.

Palladium will provide full instructions for the Phase 2 application/proposal to selected offerors.

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

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 _____