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Issuance Date: February 7, 2023

Request for Application: Increase Non-Chemical Fertilizer Production and Distribution to Farmers through Skilled and Formalized Youth Groups

Request for Application Number: RFA-CATALYZE-217772-Ethiopia-2023-0056

The due date for submission of questions: February 15, 2023

Pre-application Conference Date: February 20, 2023

Closing Date for Receipt of Applications: March 3, 2023, at 17:00 EAT.

Total funding available (all grants): 1 million USD

Anticipated Number of Grants: Up to five grants

REF: USAID/CATLYZE Increase Non-Chemical Fertilizer Production and Distribution to Farmers through Skilled and Formalized Youth Groups

Prime Contract Number: 7200AA19C00080

Subject: Palladium's Request for Applications (RFA) Number RFA-CATALYZE-217772-Ethiopia-2023-0056

Dear Prospective Applicants,

USAID CATALYZE Market Systems for Growth (MS4G), an initiative funded by the United States Agency for International Development (USAID) and implemented by Palladium LLC, is inviting qualified business solutions to increase access to non-chemical fertilizer through youth engagement in Ethiopia under USAID Prime Contract #7200AA19C00080.

The RFA is comprised of the following sections, plus attachments:

- I. FUNDING OPPORTUNITY DESCRIPTION
- II. ELIGIBILITY REQUIREMENTS
- III. APPLICATION AND SUBMISSION REQUIREMENTS
- IV. APPLICATION REVIEW INFORMATION
- V. AWARD ADMINISTRATION INFORMATION

Successful Applicants will be responsible for ensuring the achievement of the program objectives. Please refer to the Program Description section of this RFA for a complete statement of goals and expected results.

Subject to the availability of funds, CATALYZE MS4G intends to issue grants for up to 1 million USD in total for results achieved from April 2023 to April 2024. Potential grantees will be expected to contribute either in cash or in kind in line with the applicants' existing operational stage and available resources.

CATALYZE MS4G reserves the right to fund any or none of the applications submitted.

To be eligible for the award, applicants must provide all required information in their applications, including the requirements found in any attachments to this RFA. Applications that are submitted late, or incomplete, will not be considered. Awards will be made to the applicants whose applications best meet the requirements of this RFA and the evaluation criteria contained herein.

If potential applicants have any questions, queries, or clarifications, they may forward them to the following email address before the date stated on the cover page of this RFA:

CATALYZE-Ethiopia.ms4g.grants@thepalladiumgroup.com. Answers will be shared through an amendment to this RFA.

A pre-application conference related to this RFA will be held on **February 20, 2023**. If you want to join the conference, please submit your expression of interest no later than **February 19, 2023**, to CATALYZE-Ethiopia.ms4g.grants@thepalladiumgroup.com.

CATALYZE MS4G requires that applications be submitted electronically (e-mailed) to CATALYZE-Ethiopia.ms4g.grants@thepalladiumgroup.com **no later than March 3, 2023, at 17:00 EAT.**

Issuance of this RFA does not constitute an award commitment on the part of CATALYZE MS4G, nor does it commit CATALYZE MS4G to pay for any costs incurred in the preparation and submission of an application. Further, CATALYZE MS4G reserves the right to reject any or all applications received. Applications are submitted at the risk of the Applicant, and all preparation and submission costs are at the Applicant's own expense.

Sincerely,

CATALYZE MS4G Grant Team

Attachments:

- A. Full Technical Application Template
- B. Full Cost Application/Budget Template
- C. Fixed Amount Award (FAA) Template
- D. ADS 303mav: Certifications, Assurances, Representations, and Statements of the Recipient

SECTION I: FUNDING OPPORTUNITY DESCRIPTION

1. Program Description

USAID CATALYZE Market Systems for Growth (CATALYZE MS4G) focuses on creating transformative outcomes in the food security and Water, Sanitation and Hygiene (WASH) sectors to benefit all Ethiopian people. To achieve these goals, the activity mobilizes capital, increases access to finance, connects enterprises to markets, engages youth, and supports stakeholders to self-advocate toward policy change which will promote opportunities for the private sector community.

Additionally, CATALYZE MS4G ensures that women and young people have the skills and opportunities to contribute to and benefit from private sector opportunities in food security and WASH. The activity incentivizes local capacity-building efforts to enhance technical and professional skills and to better connect the supply and demand of labor.

2. Objectives and Scope

To mitigate the acute shortage of chemical fertilizer and increase access to alternative fertilizers that are produced domestically, it is important to enhance the financial and workforce capabilities of local SMEs and large enterprises involved in fertilizer manufacturing. Therefore, CATALYZE MS4G invites qualified, businesses, social enterprises, agri-tech companies, service providers, and knowledge institutions to submit business plans to create scalable and innovative solutions for increasing access to non-chemical fertilizer in different regions of Ethiopia through job creation. These solutions should offer ideas and indicate a tangible increase to non-chemical fertilizer production and distribution while bridging the gap between the demand for jobs and the supply of skilled labor. In addition, the business plans should align strategies and policies for the agriculture sector and the aspirations of youth.

The selected entities will be expected to design and deliver relevant job skills training, conduct regular follow-up to ensure job retention, and facilitate placement of youth and women that result both in behavioral and systemic changes in Ethiopia. Of those jobs created under the proposed activities, at least 51 percent must be filled by females and at least 50 percent must be in secondary cities. Bidders have broad latitude to accomplish the proposed goal through a variety of means and approaches.

CATALYZE MS4G invites business plans which clearly emphasize the following guiding principles:

Increase Access to non-chemical fertilizer production: non-chemical fertilizer is organic in nature and directly derived from plant parts and animal products through microbial activities and does not cause any harm to the environment. CATALYZE MS4G supports initiatives with solutions to increase non-chemical fertilizer production and distribution which increases access for farmers. The non-chemical fertilizer could include:

- ❖ **Compost:** this type of fertilizer is made from animal manure, green plants, dry matter, soil, and ash. It is prepared in pits or above ground through a process called 'controlled microbial composting.
- ❖ **Biofertilizers:** are substances that contain living microorganisms (i.e., bacteria, phosphorous solubilizers, enzymes, etc.) which, when applied to seeds, plant surfaces, or soil, colonize the rhizosphere or the interior of the plant and promote growth by increasing the supply or availability of primary nutrients to the host plant.
- ❖ **Vermicompost:** this type of fertilizer has similarities with conventional compost making but uses worms to speed up the decomposition process of the materials used to make the compost and the quality is also improved.
- ❖ **Lime (Calcium Carbonate):** this is not technically a fertilizer, but it is considered a non-chemical soil fertility amendment/treatment product used to correct soil acidity where soil PH is less than seven. The regional governments of Oromia and Amhara have established lime-producing factories in different locations to process lime and distribute it to farmers for soil acidity amendments.
- ❖ **Liquid Fertilizer:** Liquid non-chemical fertilizer is fertilizer manufactured from locally collected plant

and animal wastes and industrial byproducts.

Increased access to non-chemical fertilizers through youth and women job creation and engagement: business solutions shall be active and operational in production or distribution of non-chemical fertilizer in Ethiopia and should do the following:

- Demonstrate how the initiative or proposal will enhance non-chemical fertilizer production and distribution in Ethiopia.
- Describe how young people and women will be identified, trained, and placed in available jobs to increase the production and distribution of non-chemical fertilizer. Applicants shall demonstrate the provision of training to equip youth and women with the required technical (practical) and soft skill (business management, financial literacy, and marketing) training to produce or distribute the different kinds of non-chemical fertilizer.
- Demonstrate an ability to track, monitor and report on the farmers accessing non-chemical fertilizer and youth benefiting from jobs created by the program to assess ongoing performance and immediate outcome of project assistance.
- Place youth and women in full-time equivalent, decent jobs. Jobs can include wage or salary jobs, or self-employment.
 - Ensure that 51 percent of participants placed are women.
 - Ensure that employees or entrepreneurs/self-employment retain the jobs for at least 6 months.
- Demonstrate sustainability and scalability. As part of their business case, applicants should demonstrate how their initiatives will become independent of external funding and scale post-award.

3. Geographic Scope

This initiative is targeted to increase access to non-chemical fertilizers for Ethiopian farmers to improve agricultural productivity. Hence, business solutions are expected to show the demand for their products and potential to create youth jobs within the different regions of Ethiopia mainly in Oromia, SNNPR, Sidama, and Amhara regions.

4. Anticipated Outcomes

Through Fixed amount awards (FAAs) issued to one or more business solutions, each grant must achieve the following outcomes:

- A minimum of 250 Youth jobs (Full-time equivalent jobs) created through the following areas of non-chemical fertilizer production and distribution:
 - Conventional compost
 - Vermicompost
 - Biofertilizer
 - Lime production
 - Liquid Non-chemical Fertilizer
- Increased access to non-chemical fertilizer to a minimum of 5,000 farmers in Ethiopia for improved agricultural productivity.

5. Requirements

Full Applications must conform to the structure in Attachment A, Technical Application Format, which is described in more detail in SECTION III of this RFA.

6. Schedule

CATALYZE MS4G anticipates awarding one or more Fixed Amount Award (FAA) grants as a result of this solicitation process. The expected performance period for the first round is between April 2023 to April 2024.

7. Project Guidance and Post-Award Support

During the grant period, the Grantee will report to the CATALYZE MS4G Grants Team for overall guidance related to this grant, to appropriate technical staff for technical matters, and to the M&E team regarding monitoring deliverables. CATALYZE MS4G will provide the following to the selected Grantee(s):

- Project activity brief
- Simplified report template
- Kick-off meeting

8. Monitoring

CATALYZE MS4G will monitor the implementation of the grant to enable sound oversight and management; examples of such monitoring include:

- Monthly meetings with Project Team
- Quarterly Program Reviews
 - Accomplishments in prior period
 - Planned activities for the upcoming period
 - Identification of any problematic issues
 - Action items list, if any
 - Modification of deliverables, if required

SECTION II: ELIGIBILITY REQUIREMENTS

To be considered eligible for a grant award, prospective grantees must:

- Have or be able to obtain a Unique Entity Identifier (UEI) Number unless an exemption applies (awards less than \$25,000 performed by foreign entities overseas).
- Be legally registered as a not-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.
- Certify that it is not affiliated with any political party nor engaged in any partisan activities.
- Submit all mandatory documents prior to the deadline stipulated in the RFA.
- Certify that it is receptive to participating in learning opportunities and commitment to participating in capacity building.

For more information on eligible sectors and geographic scope, refer to Section I Objectives of this RFA.

Note: GSA has developed a useful interactive PDF tool that guides through the most common scenarios about UEI (https://www.fsd.gov/sys_attachment.do?sys_id=af05f8fb1b44851006b09796bc4bcb6d)

SECTION III: APPLICATION AND SUBMISSION INSTRUCTIONS

Activity Name: Increase Non-Chemical Fertilizer Production and Distribution to Farmers through Skilled and Formalized Youth Groups

CATALYZE MS4G will award up to five grants resulting from this solicitation to the responsible applicant(s) that demonstrate the capability to carry out activities conforming to the project objectives and within the funding and other parameters set by this RFA.

This solicitation does not commit CATALYZE MS4G to make an award. Palladium may at its sole discretion (a) accept or reject any or all applications, at any step, in part or in full, without assigning a reason; and (b) waive informalities or irregularities in applications received.

FULL APPLICATION

a. Cover Sheet

The applicant provides basic contact information and information regarding the status of the organization. General information includes these elements:

- i. Legal Name of Organization
- ii. Mailing Address
- iii. Physical Location
- iv. Contact Information
- v. Organization's Legal Representative
- vi. Tax ID number (or other local ID required for organizations to be eligible)
- vii. UEI number, for grants expected to exceed \$25,000

b. Instructions for Preparation of the Technical Application (maximum 15 pages total, excluding annexes)

The Technical Application should be submitted in the English language, and attached with the following annexes, using the template included as Attachment A to this RFA:

i. **Project Description (Maximum 8 pages):**

Describes the proposed program activities and overarching program elements, such as the objective of the grant and the linkage to the project objectives, or how the proposed activities will contribute to these objectives; results and indicators for measuring results, intended beneficiaries, and plans for disseminating activity deliverables. Outline how the proposed elements will support progress toward organizational sustainability.

ii. **Project Implementation Plan (2 pages):**

This section may be a Gantt chart of planned activities and a timeline with a brief narrative.

iii. **Monitoring and Evaluation Plan (2 pages):**

Describes the monitoring and evaluation methods implemented by the recipient as well as the tools used to measure and evaluate the program activities, targets, and results.

iv. **Project Milestone Schedule (1 page):**

Milestones are for a verifiable product, task, deliverable, or goal of the recipient. The milestones will generally have three parts: (1) a description of the product, task, deliverable, or goal to be accomplished; (2) a description of how the recipient will document the completion of the product, task, deliverable, or goal; and (3) the amount that the prime contractor will pay the recipient for the deliverable. Some milestones may also have dates indicating when the milestone is expected or required to be completed. Milestones must be objectively verifiable regarding completion and quantity and within the recipient's span of management, and control to complete as designed.

v. **Experience and Capacity (2 pages):**

The applicant lists previous and ongoing experience implementing similar or related activities. This is a critical factor in assessing the capacity of the grantee to implement the activity. The applicant also provides contact information of at least three references that can speak to the applicant's performance and capabilities.

c. Instructions for Preparation of the Cost Application

As part of the Cost Application and in addition to the Budget Template (Attachment B), the applicant shall include the following:

i. **Transmittal Letter**

The application must be signed by an individual authorized to commit to the organization.

ii. **Organizational Information and Certifications**

The applicant shall submit the following annexes to the cost application:

- “ADS 303mav: Certifications, Assurances, Representations, and Other Statements of the Recipient” found in Attachment D of this RFA.
- Copy of the organization's chart and bylaws and power of attorney of the authorized signer.
- Copy of the organization's legal registration under the laws of Ethiopia.
- Copies of the last annual financial report(s) completed by an authorized/certified accountant.

iii. Budget Narrative and Detail

This section should include a summary of the information provided in the application budget forms and includes the total grant funding request. The applicant must provide a budget, a budget narrative, and adequate cost and historical or unit pricing data to establish a reasonable cost and the assurance that the recipient will not realize any profit above the actual cost.

The applicant shall include a budget narrative that breaks down proposed costs in sufficient detail corresponding to the attached budget template to permit cost analysis. The budget shall be denominated in local currency only.

Cost estimates must be submitted **in Excel format using the attached budget template**. The file must be unprotected and there should be no hidden columns/rows/cells. Each cost element must include a basis for estimate or rationale. Any budget submitted without the accompanying narrative or in a different template will not be accepted and the application will not be considered. **Please note that applications will be judged based on the efficiency of costs vs. proposed performance targets.** Applicants are also encouraged to highlight any financial or in-kind contributions they may co-invest in the activities.

The budget template contains the following budget categories:

a. Salaries (activity staff)

The applicant shall provide the individual's name, position title, the unit (days), the number of units (i.e. the level of effort), the unit salary or consultant fee, and the total salary or consultant fee. Unit salaries shall be stated in days. Benefits, fees, and indirect costs should not be included in the unit salary.

b. Fringe Benefits

This could include social security, health insurance, and other mandatory withholdings for relevant grantee staff.

c. In-Country Travel and Transportation

Travel and Transportation include per diem and shall be broken down by traveler, vehicle, number of trips, and the corresponding number of days of per diem. Include a basis of estimate for each trip.

d. Other Direct Costs (ODCs)

As part of the detailed budget breakdown, the applicant shall submit details of all other direct costs (ODCs) required for undertaking the award grant. ODCs include costs of direct program implementation, as well as costs for communication, meetings, expendable supplies and materials, report preparation/reproduction, and publications. Include a basis of estimate for each item.

As illustrative examples only, program implementation costs could include the following (or many others):

- *Marketing costs: The applicant should provide details of marketing costs that would promote its services. Illustratively, marketing costs could include events, signage, and promotional print materials.*
- *Assurance costs: The applicant should provide details of costs for quality improvement/assurance that could include supervisory visits and monitoring mechanisms.*

NOTE: USAID Policy Prohibits the Payment of Fee/Profit to recipients under assistance instruments.

Submission of the full Application:

Full applications must be submitted no later than 17:00 EAT, March 3, 2023, electronically (via email) to CATALYZE-Ethiopia.ms4g.grants@thepalladiumgroup.com using the subject line "Subject: Increase Access to Non-Chemical Fertilizer RFP-0056"

IMPORTANT NOTE: Technical and financial applications should be submitted in two separate electronic files.

SECTION IV: APPLICATION REVIEW INFORMATION

The application must be fully completed in all aspects in each step. An application may not be considered if it is received after the submission deadline. Costs associated with the preparation of the full application shall be at the expense of the applicant.

EVALUATION OF FULL APPLICATIONS

CATALYZE MS4G intends to issue a grant to the organization(s) considered to provide the best strategic fit, technical approach, past performance/organizational capacity, and gender considerations for the overall project. The criteria below will serve as the basis upon which the application will be evaluated. Selection will also be based on the capabilities of the organizations as detailed in the application.

a. Evaluation Criteria

The technical applications will be evaluated according to the following criteria, which are listed below and are listed in order of importance, with the most important listed first with additional details.

Evaluation Criteria		Details	Information Source	Maximum Score
1	Technical Approach (Business Solution)	Compelling strategy, and business solution to increase access to affordable non-chemical fertilizer while engaging youth and women. The business solutions shall have a clear strategy for the production, distribution, and productivity of the non-chemical fertilizer.	Technical proposal	50
2	Technical Approach (Geography)	Business solution's presence and scalable approach to expand to secondary cities or more	Technical proposal and other testimonial documents	20
3	Technical Approach (Youth engagement)	The business solution shall clearly show youth engagement and its potential to create sustainable jobs	Technical proposal and other references	30
Total				100

To be considered, applicants must score 70 or above. CATALYZE MS4G will select up to five of the highest-scoring applicants to receive a grant.

SECTION V: AWARD ADMINISTRATION INFORMATION

a. Award Notices

Successful applicants can expect to receive the following upon approval by USAID:

- A notice of USAID approval.
- Draft Fixed Amount Award grant agreement.

b. Award Administration Standards

Grants resulting from this solicitation will be administered by the approved Project Grants Manual, and the following regulations (as applicable):

- FAR Part 31 – Cost Principles for For-Profit organizations used to negotiate award amounts and terminations per 2 C.F.R. 200.201 (b)(1))
- Automated Directives System (ADS) Chapter 303 Grants & Cooperative Agreements to Non-Governmental Organizations: 303.3.25 Fixed Amount Awards to Non-Governmental Organizations
- A Mandatory Reference for ADS Chapter 303: 303_mak Fixed Amount Award Entity Eligibility Checklist – as adapted by Palladium
- A Mandatory Reference for ADS Chapter 303: 303_mat Fixed Amount Awards to Non-Governmental Organizations - as adapted by Palladium
- ADS 302.3.4.13 Grants Under Contracts (GUCs)
- 2 C.F.R. 200.1 Definition Fixed Amount Awards
- 2 C.F.R. 200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts (as referenced in ADS 303.3.25.a.)
- 2. C.F.R. 200 Subpart E – Cost Principles for non-profit and educational organizations – used to negotiate award amounts and terminations per 2 C.F.R. 200.201 (b)(1))

c. Reporting

CATALYZE MS4G reserves the right to audit documentation of results at any time, as the project conducts Monitoring and Evaluation (M&E) verifications. CATALYZE MS4G will obtain both the fintech platform sales agents and enterprises' approval to release information in publicly reported success stories, periodic reports, and lessons learned reports. The grantees may be required to submit additional reporting periodically (reporting format will be provided by CATALYZE MS4G). Participating grantees agree to comply with and respond to CATALYZE MS4G requests for information.

d. Deliverables required for success fee payment

CATALYZE MS4G will work with apparent successful offerors (ASOs) to finalize a Milestone Payments Schedule with clear milestones and verifiable deliverables for which payments under the FAA will be made.

e. Branding & Marking Requirements

Successful applicants will be required to submit a Branding Strategy and a Marking Plan that complies with the approved Branding and Marking Plan for the project and must follow the mandatory standard provision entitled "MARKING AND PUBLIC COMMUNICATIONS UNDER USAID-FUNDED ASSISTANCE (DECEMBER 2014)" (for standard cost type grants) or "MARKING AND PUBLIC COMMUNICATIONS UNDER USAID-FUNDED ASSISTANCE (JULY 2015)" (for FAAs) in preparing the Branding and Marking Plan.

f. Environmental Compliance

The grants program anticipates funding only activities that fall under the categorical exclusions of "USAID Environmental Guidelines."¹ Therefore, if all activities under a specific grant are identified as categorical exclusions, the project will not conduct any additional environmental assessment or will not require prior review by USAID's environmental officer. However, in instances where the proposed activity may directly affect the environment outside the exclusions, the project will seek guidance from the COR, to ensure compliance with 22 CFR 216 and the "USAID Environmental Guidelines."

CATALYZE MS4G will ensure all stipulated environmental measures and conditions in the award are implemented throughout the life of the award, and that timely amendments are undertaken, as needed, by obtaining the relevant USAID Environmental Officer's prior approval in writing to ensure compliance with 22 CFR 216 and the applicable USAID Environmental Guidelines.

¹22 CFR 216