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Issuance Date: 27 July 2023

Due Date for Submission of Questions: 7 August 2023

Q&A conference: 14 August 2023

Closing Date for Receipt of Concept Papers (Phase 1): 28 August 2023

Anticipated Timeline for Co-Creation (Phase 2): 4-15 Sept 2023

Closing Date for Receipt of Full Applications (Phase 3): 29 September 2023

Total funding available (all grants): \$1.2M

Anticipated Number of Grants: 2 to 4

REF: Paraguay Early Childhood Care and Education

Prime Contract Number: 7200AA19C00080

Subject: Palladium's Request for Applications (RFA)

Dear Prospective Applicants,

Palladium is seeking applications from qualified applicants, as grantees, to implement under the USAID CATALYZE EduFinance Early Childhood Care and Education (ECCE) Family of Investments (hereafter referred to as CATALYZE ECCE) Activity Grants Program. The CATALYZE ECCE Activity Grants Program aims to increase access to high-quality ECCE for the most marginalized and vulnerable children in Paraguay, including the *pre-jardín* (3 years old), *jardín* (4 years old) and *pre-escolar* (5 years old) levels as well as levels and services for younger children. Interventions must provide services for children ages 3-5 as well as younger children under the age of 3. "Most marginalized and vulnerable" could include those living in extreme poverty, orphans, internally displaced people (IDPs) and returned migrants, children with disabilities and learning differences, children from families with members with disabilities, children from sexual orientation, gender identity, and gender expression (SOGIE) diverse families, rural populations, and children from ethnic and language minority groups. Palladium is implementing the CATALYZE ECCE Activity under USAID Prime Contract 7200AA19C00080.

The RFA is comprised of the following main sections:

- 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 achievement of the program objectives. Please refer to Section I of this RFA entitled Funding Opportunity Description for a complete statement of goals and expected results.

Subject to availability of funds and program coordination constraints, Palladium intends to provide up to USD 1,200,000.00 in total funding for activities to be implemented beginning in December 2023 with award amounts in the range of USD 250,000 to 750,000. Palladium reserves the right to fund any or none of the applications submitted.

To be eligible for award, Applicants must provide all required information in their application, including the requirements found in attachments to this RFA. Applications that are submitted late, incomplete, or are non-responsive will not be considered. Awards will be made to the responsible applicant(s) whose application(s) best meet the requirements of this RFA and the evaluation criteria contained herein.

Palladium intends to use a three-stage application process to evaluate and select one or more grantees under this RFA.

1. **Phase 1:** The initial stage invites written questions which can be submitted through August 7, 2023. A virtual Q&A meeting will be held on August 14, 2023. Written questions will be addressed and time will also be allocated for live Q&A discussion. Palladium requires the submission of a Concept Paper by August 28, 2023, which will be evaluated in accordance with Section IV, Step 1 of this RFA.
2. **Phase 2:** Prospective grantees will be asked to participate in a co-creation process to refine the scope and activities to be funded by grant in collaboration with CATALYZE ECCE. This is anticipated to occur between September 4-15, 2023. Prospective grantees may be introduced to additional partners to scale the impact of the activity.
3. **Phase 3:** Prospective grantees may be asked to submit a full application package by September 29, 2023, which will be evaluated in accordance with Section IV, Step 2 of this RFA.

Palladium requires that both concept papers and full applications be submitted via Palladium's online application portal at <https://palladium-cp.enquire.cloud/> or send it by e-mail at CATALYZE.Procurements@thepalladiumgroup.com. no later than the respective due dates shown above, following the instructions included in Section III of this RFA. Concept papers and full applications may be submitted in English or Spanish.

Issuance of this RFA does not constitute an award commitment on the part of Palladium, nor does it commit Palladium to pay for any costs incurred in participation in co-creation nor the preparation and submission of an application. Further, Palladium 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,

Palladium Grants Manager

SECTION I: FUNDING OPPORTUNITY DESCRIPTION

1. Program Description

The CATALYZE EduFinance Activity, through USAID’s Democracy, Development, and Innovation’s (DDI) Center for Education, serves as a financing vehicle that stimulates partnerships with the private sector and facilitates multi-stakeholder investment and innovation to improve learning outcomes. Under the CATALYZE Program, the private sector is broadly conceptualized to include corporations, enterprises, foundations, and faith-based organizations, among others.¹ Through the CATALYZE EduFinance Activity, a specific window has been carved out to focus on investments in ECCE.



The CATALYZE ECCE Activity will contribute to enhanced access and improved quality of early childhood care and education, particularly for the marginalized and vulnerable populations. By expanding access to high-quality ECCE, it will also unlock economic opportunities for women.

The CATALYZE ECCE Activity is envisioned as a one-stop hub for cross-sectoral ECCE models. The CATALYZE ECCE Activity will build an evidence base around effective models for expanding equitable access to high-quality ECCE and how expanded access to high-quality ECCE can drive improved learning and development outcomes in children and improve livelihood outcomes for women.

Background

Early childhood care and education has been linked to a range of positive economic, educational, and societal outcomes, particularly for the most socially and economically disadvantaged children. The Government of Paraguay (GoP) has committed to improving access and quality of early childhood care and education (ECCE) through its ECD National Plan 2023-2030—led by the Ministry of Children and Adolescents (MINNA)—and *Kunu’u*, the National Strategy for Comprehensive Early Childhood Care. In 2020, the GoP established an inter-ministerial team (*Equipo Nacional de Primera Infancia*, or ENPI) to improve coordination on early childhood issues. ENPI includes MINNA, the Ministry of Education and Science (MEC), the Ministry of Public Health and Social Welfare (MSPBS) and others. The ENPI has approved the ECD National Plan and is tasked with its implementation.

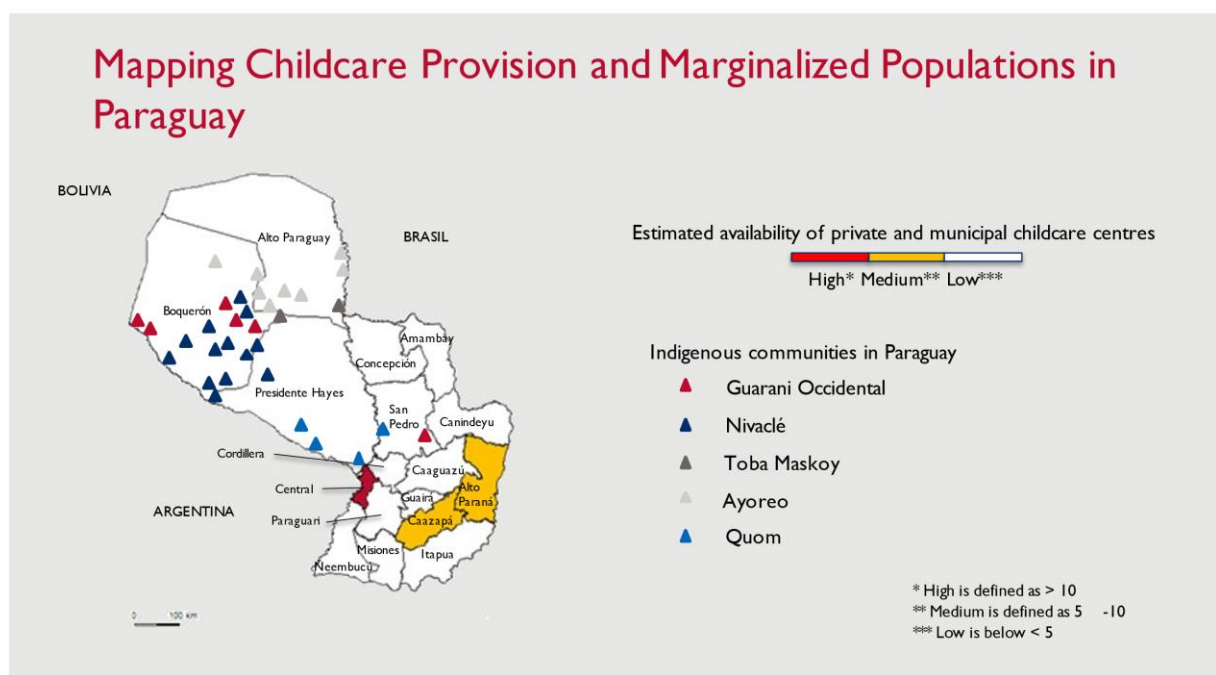
There are three government institutions providing ECCE services in Paraguay: MEC, MSPBS and MINNA. The MEC Directorate of Early Childhood Education (*Educación Inicial*) oversees all preschools in Paraguay, whether *oficial* (public), *privado* (wholly private) or *privado subvencionado* (private receiving some subsidies). The MSPBS is responsible for the Child and Family Welfare Centers program (or Centros de Bienestar de la Infancia y la Familia - CEBINFAs) for children from 4 months to 5 years old. The MINNA oversees “Programa Abrazo” (from 0 to 13 years old). The Abrazo Program is found in 12 of the 17 departments of the country, covering 33 districts, with a total of 50 centers. The program reaches more than 10,000 girls, boys, and adolescents with food services, psychological support, school and learning reinforcements, among other benefits.

¹ Under CATALYZE ECCE, the private sector is defined as market actors that are not managed or controlled by the government, nor solely funded by taxpayer contributions. It includes, but it not limited to, corporations, enterprises, foundations, and faith-based organizations.

Learners are divided into stages: Stage 1 (4 months to 2 years old) and Stage 2 (3-6). Stage 1 children are served by *Espacios de Desarrollo Infantil* (EDIs) and Stage 2 classes are organized into *pre-jardín* (3 years old), *jardín* (4 years old) and *pre-escolar* (5 years old). Low income marginalized and vulnerable children aged 0-5 are also served by “*maestras mochileras*” (backpack teachers) who travel to homes in remote or underserved areas to engage young children with early stimulation and play-based learning. There are also Child and Family Welfare Centers or *Centros de Bienestar de la Infancia y la Familia* (**CEBINFAs**) for children which provide ECCE for children 4 months to 5 years old. These centers are overseen by MSPBS.

Access to ECCE: Paraguay faces inequalities in access to ECCE linked to geographic location, poverty, and ethnicity (see “Mapping Childcare Provision and Marginalized Populations in Paraguay” below), particularly for children between 0-5 years old. The number of children enrolled in pre-primary education is very low (9% at age 3), but rises considerably (75%) by age 5-6, when pre-school (*pre-escolar*) attendance becomes compulsory by law. The low attendance pre-age 5 is explained by multiple factors, including what could be a strong cultural preference among parents to leave their young children with family members (e.g., a 2016 study found that 66% of working parents in Asunción left their children with family (unpaid), 29% left children with babysitters and 5% were in a daycare or nursery. It is unclear whether working parents prefer leaving children with relatives, or whether they choose this due to the lack of credible alternatives. Paraguay also has a tradition of *criadazgo*, where poor and indigenous families send their children (mostly girls) to care for children from wealthy families, in exchange for room and board. This practice has come under scrutiny in recent years, due to high-profile reports of child abuse and exploitation.

Public kindergarten and pre-school education programs and other ECCE provided by MEC and MINNA have also faced budget cuts as high as 54% in 2022, threatening equitable access to ECCE for marginalized and vulnerable people. However, the MEC has assured concerned ECCE professionals that programs can continue through 2024.



Quality of ECCE Programs: ECCE program quality in Paraguay is currently determined by a set of regulations for the pre-schools (*pre-escolar*) only. The public *Espacios de Desarrollo Infantil* and *guarderías municipales* are governed by MEC. MEC has developed a Curriculum Framework for Early Childhood Education and guidelines for ‘Evaluation of the Learning Process for the Initial Level; however, both are almost 20 years old.

Teacher Professionalization: Teaching pre-school requires a teaching qualification; however, this requirement may be waived if no qualified teachers are available. There is currently no systematic provision of professional development/workforce development for ECCE workers. Childcare workers in informal settings are likely to be untrained, though the MEC recognizes that this situation should be improved. Most recently, in 2023, MINNA launched the "National Framework of Competencies for Early Childhood Care and Education" manual, directed for early childhood educators and caregivers². In 2021, MINNA conducted a Workshop on National Competencies for ECCE to identify gaps in training; formulate an ECCE competency framework and make recommendations for the development of training and government certification. Development Partners such as GIZ, UNICEF, Lego Foundation, and the United Nations' Economic Commission for Latin America and the Caribbean³ have also sponsored initiatives to improve caregiving/ECCE at the municipal level. One such initiative, the Mitâ Róga Program, does not require training and certification for its care workers—who include parents, grandparents, local youth trainee teachers, and social workers—but instead recruits local caregivers who have completed high school. The Mitâ Róga Manual for Early Childhood Care in Non-Formal Education was developed by Fundación Alda Paraguay.

ECCE and Economic Opportunities for Women: Expanding access to high-quality ECCE may unlock economic opportunities for Paraguayan women. Paraguayan women are about 30% less likely to participate in the formal labor force than Paraguayan men. While the gap in labor force participation can be attributed to numerous factors, it may be influenced by time constraints resulting from unpaid care work. Paraguayan women spend an average of 14.7 hours per day on unpaid domestic work per a 2016-time use survey. Time spent on unpaid work is undoubtedly influenced by childcare responsibilities; women with children aged 0-4 dedicate 3.5 times as many hours on unpaid domestic tasks than those without young children. Facilitating access to high-quality childcare will reduce time constraints resulting from domestic labor, potentially improving mental health, increasing agency, and enabling women to engage in income-generating activities more fully.

Private Sector Engagement: Approximately 42% of pre-school enrollment is in private pre-schools and pre-school education centers owned by individuals, non-governmental organizations (NGOs), foundations or private companies. For these schools, the main source of financing is fees paid by families, though some centers receive a state subsidy if they serve vulnerable and poor communities. Approximately 15% of children are enrolled in these subsidized preschools. An association of private schools/ECCE centers—the *Jardines Infantiles Privados Unidos del Paraguay* (ASOJIP)—emerged during the COVID-19 pandemic to manage the re-opening of daycare services in Asuncion—however, its membership is relatively small, 10 members, and it remains unclear whether its mission was strictly ad hoc. In addition, there are other examples of non-state programs, such as the aforementioned Mitâ Róga which are managed by community/neighborhood organizations and receive state subsidies.

Paraguay has several private sector organizations committed to corporate social responsibility, including the *Asociación de Empresarios Cristianos* (ADEC), *Sistema B Paraguay*, the *Asociación Paraguaya de Empresarias Ejecutivas y Profesionales* (APEP)—Paraguay, and *Pacto Global (Red Paraguay)*, who could be interested in supporting ECCE initiatives in the country. Paraguay has also explored the possibility of employer-based care. Per Paraguay law, large employers (i.e., employers with more than 50 employees) must provide childcare; however, few companies are complying. One notable exception is Las Tacuaras, a poultry business with 200+ employees that opened its own childcare center—with Kunu'u/UNICEF support. There may also be large companies across Paraguay open to providing employer-based care. Notably, most employment, approximately 63%, in Paraguay is provided by small enterprises with fewer than 10 employees. These small businesses have no legal obligation to provide childcare.

2. Scope

² <https://www.ip.gov.py/ip/presentan-manual-para-educadores-y-cuidadores-de-primer-a-infancia/>

³ Comisión Económica para América Latina y el Caribe (CEPAL) in Spanish

Private Sector-Driven Partnership Announcement

CATALYZE ECCE—with funding from USAID/LAC Bureau—seeks to support Paraguayan ECCE service providers in expanding access to high-quality, low-cost ECCE for children aged 0-6. Concept notes must include an emphasis on children ages 3-5, as well as younger children. (Please see the Background section of this RFA for details on education levels by age.) Interventions should also specifically target the most marginalized and underserved communities. “Most marginalized and vulnerable” include those living in extreme poverty, orphans, internally displaced people (IDPs) and returned migrants, children with disabilities and learning differences, children from families with members with disabilities, children from SOGIE diverse families, rural populations, and children from ethnic and language minority groups. In turn, interventions expanding access to high-quality ECCE are anticipated to free women’s time to pursue income generating activities in the labor market including formal sector employment, entrepreneurship, vocational or soft skills training, apprenticeships, informal sector work, volunteer work, or other activities to position women for future formal sector employment, in addition to improving household dynamics and women’s overall physical and mental well-being. This RFA will be complemented by a separate activity with funding from USAID’s Gender Equality and Women’s Empowerment Hub (GenDev). In the separate activity, a subset of female caregivers and select household members for children attending the ECCE will be offered complementary interventions (e.g., vocational training and/or gender transformative social norms programming). An evaluation of these interventions and the secondary effects of participation in ECCE will be conducted.

CATALYZE ECCE encourages offerors to submit a concept note detailed how they would leverage multi-stakeholder investment and innovations to achieve the following:

- **Increase equitable access to ECCE.** Per [USAID’s How-To Note on Developing High-Quality Pre-Primary Programs](#), all children between ages 3-6 should have at least one year of steady access to quality ECCE (where availability is limited), but children should ideally be enrolled in ECCE for two to three years. Likewise, access to quality ECCE is also important for younger children between 0-3 as it provides a safe, nurturing environment for care and quality education outside the home, enabling female caregivers pursue economic opportunities. Access is defined along five key dimensions:
 - **Availability:** ECCE should be available during hours that facilitate the engagement of women in the formal labor force, although half-day programs are not inappropriate for improving children’s learning and development outcomes.
 - **Accessibility:** High-quality ECCE services targeting children ages 0-6 should be present in urban, peri-urban and rural communities, including and households should not be required to put forth undue effort to use ECCE services.
 - **Accommodation:** ECCE service provision should be adapted to address the specific needs of the poor, children with disabilities, and ethnic or religious minorities between ages 0-6.
 - **Affordability:** The cost of ECCE should be commensurate with household income levels in a given community such that no children are unable to attend on the basis of cost.
 - **Acceptability:** Social norms should not stigmatize the use of ECCE services or otherwise hamper women’s ability to access childcare.

- **Improve program quality.** “Program quality” includes issues of structural quality such as teacher training (see also below), class size/student-teacher ratio, access to adequate nutrition, and the physical safety of the learning environment. Program quality also encompasses process quality; for example, are curricula developmentally appropriate? Are there positive teacher-student interactions? Does the program follow play-based pedagogy with appropriate learning materials readily available? Do ECCE providers appropriately engage with families and communities to encourage better learning outcomes, etc.? Is the provider using validated metrics to monitor and evaluate learning and child development? Is the provider using regular formative assessment data to inform the provision of education including appropriate play?

- **Support the professionalization of ECCE providers.** Per the USAID How-To Note, a pre-primary “teacher” is anyone who leads a group of children with the aim of improving their early learning skills, including people recognized by an authority as a professional, as well as those who are not. This could include teachers, teaching assistants, facilitators, paraprofessionals, care providers, volunteers, etc. Ideally “teachers”, as broadly defined above, would receive specialized pre- and in-service training, and be guided by a professional competency framework that details the knowledge, skills, abilities, and behaviors needed to provide quality ECCE. Professionalization also includes strengthening management practices and establishing payment systems for teachers, among other tasks.
- **Design and promote market-based solutions that increase formal employment and self-employment opportunities both inside and outside the ECCE Sector.** The workforce in the care economy (including ECCE) is largely female and offers employment and income generation opportunities for women who expand affordable childcare to underserved communities. Additionally, expanded access to high-quality ECCE may enable female caregivers to access childcare to pursue income-generating opportunities outside the ECCE sector.

CATALYZE ECCE will provide financial support to encourage multi-stakeholder investment and innovation that supports the objectives stated above. Partnerships may be between non-state ECCE providers, such as businesses (independent enterprises/sole proprietorships, franchises, cooperatives), philanthropic and faith-based institutions, civil society organizations (CSOs), universities and training centers, employers (including workplace providers of ECCE), companies implementing corporate social responsibility initiatives, and private institutions training ECCE teachers, caregivers, and volunteers/paraprofessionals. We will also consider alliances between CSOs and business entities.

Applicants may already have a proposed approach/solution with pre-determined private sector partners, or they may have a strong approach/solution, that, with an appropriate partner, would meaningfully increase marginalized and vulnerable Paraguayans’ access to high-quality ECCE. Applicants will be required to collaborate with other CATALYZE implementing partners carrying out activities in Paraguay facilitating access to vocational training and/or gender norms training for women and households participating in ECCE activities and the CATALYZE ECCE evaluation team(s) in the spirit of learning and driving improved livelihood outcomes for female caregivers.

Public-Private Collaboration: CATALYZE ECCE is open to considering state/non-state collaboration, recognizing the value of collaboration of private, public, and not-for-profit entities. Though CATALYZE ECCE cannot provide direct support to Paraguayan government units and government service providers, CATALYZE ECCE can provide technical and financial support to Grantees that engage the private sector to enrich spaces often occupied by government, civil society, and aid-related actors. Activities should also align with Paraguay’s ECD National Plan (2023-2030), to reinforce government policies and avoid overlapping/duplication among stakeholders.

Coordination and Cooperation: Grants funded by CATALYZE ECCE should complement other activities funded by development partners such as Inter-American Development Bank, GIZ, UNICEF and others. The Activity will actively collaborate and leverage resources with these and other USAID initiatives by strategically sequencing, layering, or integrating with past and ongoing efforts. Grantees also must coordinate and align with CATALYZE ECCE implementing partners undertaking activities facilitating access to vocational training and/or gender norms interventions for women and select household members of children attending the ECCE, and the evaluation team. These activities are designed to empower and support economic and psycho-social wellbeing of female caregivers of 0-6 children and coordinating with these efforts will be critical to the success of this award.

Illustrative Examples of Multi-Stakeholder Investments and Innovations Partnerships

The following are indicative partnerships, although not exhaustive:

- Complement/augment services provided by CEBINFAs and/or *maestras mochileras* by engaging non-state providers, including neighborhood, community, and home-based providers to complement ECCE provision for children 3-5 years old at the pre-jardin, jardin and pre-escolar levels. This could include extending partial day provision of care to full day provision of ECCE for children 0-6, enabling mothers of ECCE attendees to engage in income-generating activities.
- Explore methods to promote and increase the provision of quality care at workplaces where many women are employed.
- Partner with NGOs, universities, and ECCE providers to increase professionalization of ECCE providers at the home-based and community levels, based on proven methodologies and curricula. Employers may need help partnering with organizations with deep technical understanding of early childhood as well as early childhood education.
- Enhance high quality early childhood education service delivery at the family and community levels based on proven methodologies and curricula. This may entail facilitating partnerships between firms committed to CSR and organizations with deep technical understanding of early childhood as well as early childhood education.
- Engage education technology (edtech) and/or educational content creators to partner with local ECCE providers to enhance learning, track learning outcomes, etc.

3. Objectives

Over the course of this grant period, it is anticipated that Grantee(s) will:

- A. Increase equitable access to high-quality ECCE;
- B. Improve program quality in alignment with existing GoP regulations and governance structures; and
- C. Support the professionalization of ECCE owners, teachers, paraprofessionals, and providers (including those engaged in community- and home-based care).

By achieving these three objectives, grantees will contribute to attainment of the overarching goals of CATALYZE ECCE:

- Improved livelihood or livelihood preparation outcomes for women; and
- Improved development and learning outcomes in young children, with an emphasis on play.

4. Requirements

Concept Notes must conform to the structure included in SECTION III - STEP I – CONCEPT NOTE of this RFA.

Full Applications must conform to the structure included in SECTION III - STEP III – FULL APPLICATION of this RFA, including any required attachments, as applicable.

5. Anticipated Outcomes

Anticipated outcomes of grant agreements will reflect the scope of work and design of each activity. Illustrative outcomes may include the following:

- Increased number of children with improved access to high-quality ECCE services
- Improved early childhood development and learning outcomes (emergent language and literacy, emerging numeracy, socio-emotional learning, and physical development) demonstrated by young children, particularly in marginalized populations.
- Improved professionalization of the ECCE owners, teachers, paraprofessionals and providers, including those engaged by the private sector or involved in community and home-based care.
- Introduction of new ECCE facilities.
- Increased number of ECCE providers meeting quality standards.
- Increased satisfaction amongst ECCE clients, particularly in marginalized communities.

- Increased private capital mobilized that expands access to high-quality ECCE.
- Increased number of women engaged in, preparing for or advancing in income generating activities in formal employment or self-employment as a result of expanded access to ECCE. This could include: formal sector employment, entrepreneurship, vocational or soft skills training, apprenticeships, informal sector work, volunteer work, or other activities positioning women for future formal sector work.
- Improved self-reporting wellbeing of mothers of children age 0-6.

6. Schedule

Project anticipates awarding one or more Fixed Amount Awards grants as a result of this solicitation process during October 2023. CATALYZE ECCE will determine the award mechanism through a pre-award determination process based on the nature of the proposed activity and the selected organization's financial and management capacity, the award size, the number of awards, and the amount of available funding is subject to change. The expected performance period for all grants awarded under this solicitation is October 2023 to March 2025 with an anticipated performance duration of 12 to 18 months.

7. Estimated Funding Level

Palladium expects to award several grants and may choose to fully fund or incrementally fund the selected application(s). Awards may range between USD \$250,000 and USD \$750,000. However, the final amount will be dependent upon the proposed activities and final negotiation that will take place in Phase 3 and may be lower or higher than that range. Preference will be given to Paraguayans organizations with previous experience implementing projects expanding access to high-quality ECCE for marginalized and vulnerable populations and showing tangible results and impact.

SECTION II: ELIGIBILITY REQUIREMENTS

The referenced grants program is designed for eligible entities as defined below. NGOs are organizations that act neither in governmental capacity nor as agents of the government. Both U.S. and non-U.S. NGOs are eligible to receive grant funding. An international NGO is eligible if the majority of its constituent members are NGOs. Grant applications from both not-for-profit and for-profit organizations will be accepted.

In order to be considered eligible for any grant award, prospective grantees must:

- Be legally registered as a not-for-profit or for-profit organization in accordance with the laws of Paraguay, such as the Special Law for Promotion of Non-Governmental Development Organizations and its Regulations (registration documents required) as applicable to this solicitation.
- Not be part of a government or any government structures (unless government structures are eligible under subsequent eligibility section).
- Not appear on any list of debarred or suspended entities (as found on www.sam.gov), or on any terrorist watch list or other published list of ineligible recipients.
- Certify that they are not affiliated with any political party nor engaged in any partisan activities.
- Comply with the application format guidelines and instructions mandated in the RFA, including submitting a budget within the identified funding limitations of the RFA.
- Have or be able to obtain a Unique Entity Identification (UEI) Number for an award exceeding \$25,000 (or local equivalent)⁴.
- Demonstrate capacity to collaborate and deliver joint work products with external partners, including programmatic implementers and evaluation teams.

Additional eligibility criteria specific to this solicitation are:

- To have been in existence for at least three years.

⁴ **Note:** Applicants without a UEI are highly encouraged to begin UEI registration in www.sam.gov as quickly as possible to ensure compliance with the UEI eligibility criteria. Applicants have experienced delays in obtaining UEI numbers.

Palladium strongly encourages applications from potential new partners (NPIs). NPIs are organizations that have never received funding from USAID directly or indirectly.

SECTION III: APPLICATION AND SUBMISSION INSTRUCTIONS

Activity Name: CATALYZE Early Childhood Care and Education – Paraguay

Palladium will award one or more award 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 Palladium 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.

STEP I – CONCEPT NOTE

Applicants meeting the eligibility criteria discussed in Section II of this RFA should submit a concept note by following the instructions in Palladium’s online portal at <https://palladium-cp.enquire.cloud/> or send it by e-mail at CATALYZE.Procurements@thepalladiumgroup.com.

Palladium will review and finalize applications using a three-stage process. All applications for Phase 1 must include the following:

- **Cover Sheet** (no more than 1 page) that should include:
 - Opportunity number and name;
 - Address of organization;
 - Contact point (lead contact name, relevant telephone, fax, e-mail information); and
 - Signature of authorized representative of the offeror.
- **Technical Proposal** (maximum of 4 pages, no penalty if shorter): This section should explain the organization’s proposed technical approach to achieving CATALYZE ECCE (Paraguay) objectives of this document and include:
 - The purpose (mission) and objectives of the organization;
 - An explanation of the problem or challenge your organization is facing and how the grant will help your organization overcome them;
 - How the offerors proposed approach/activities meets CATALYZE ECCE’s concept note evaluation criteria;
 - A general description of who the beneficiaries of the proposed activities are and the intended impact on them;
 - A description of how and by whom the activities will be implemented, including leadership and number of staff or workers (where applicable); and
 - A description of how the activity will monitor and evaluate progress towards achieving goals and objectives.
- **Financial Information**
 - Estimated funding required;
 - Proposed co-funding or leveraging is welcome but not required in the concept note stage.

The concept note must be signed/submitted by an authorized agent of the applicant and must be submitted in either English or Spanish. Concept papers and all annexes should be submitted through

Palladium's online portal at <https://palladium-cp.enquire.cloud/> or send it by e-mail at CATALYZE.Procurements@thepalladiumgroup.com.

Submission of the Concept Note:

Concept Notes must be submitted no later than the date detailed on the cover page of this solicitation. Information about the evaluation of concept notes is included in Section IV of this RFA.

All correspondence must include the relevant announcement number and title. Offerors that are not selected will be notified.

Selected offerors will be notified and invited to participate in co-creation meetings with CATALYZE ECCE/Palladium staff, where the concept note will be discussed, refined, and additional partners will be identified. The result of the co-creation Phase 2 will be a full Scope of Work for the partnership. At that point, the offeror will be asked to submit a complete technical and financial application based on the information and outcome of the co-creation process. Palladium will provide instructions and templates at that time. The budget will be analyzed for cost reasonableness and is open to negotiation prior to any award.

Palladium reserves the right to award any or none of the applicants at any stage of the process. For example, proceeding to co-creation does not guarantee a final award, and Palladium will not cover any costs associated with participating in this process.

Do not submit a full application unless requested by Palladium. Only upon receipt of positive Palladium feedback on the concept paper, the offeror will be requested to participate in the co-creation workshop. The offeror may then be asked to put together a full application for Palladium consideration, based on the concept note and co-creation results.

STEP II – FULL APPLICATION

After submitting a successful concept note and completing co-creation, successful applicants will be contacted and required to submit a full application in Phase 3. Please do not submit this prior. The full application should consist of:

a. Instructions for Preparation of the Technical Application (maximum 20 pages total, excluding annexes)

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

- i. Cover Letter (1 page annex) including a summary of the application and its total cost, signed by an individual authorized to commit the organization.
- ii. Project Description (expanded concept note, use provided template):

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.

- iii. Project Implementation Plan (1 page, annex):

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

- iv. Experience and Capacity (included in template):

The applicant lists previous and ongoing experience implementing similar 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.

b. Instructions for Preparation of the Cost Application

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

i. Transmittal Letter

The applicant must be signed by an individual authorized to commit 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 Paraguay.
- Copies of the last annual financial report(s) completed by an authorized/certified accountant.
- Supporting Documentation
 - Due Diligence form;
 - Local Company Data Sheet; and
 - Signed Certifications

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 actual cost. No indirect costs may be reimbursed under simplified grants. A de minimis indirect rate of 10 percent of MTDC (modified total direct cost) may be approved for cost reimbursement grants or in the pricing of standard or renewal FAA grants in lieu of any indirect costs. A de minimis rate is only available to nonprofit grantees, which have not previously had a negotiated indirect cost rate with any U.S. Federal Agency. Within the budget notes, an applicant also describes any other donor funding currently received and how it will allocate shared resources across multiple grants (if applicable).

The applicant shall include a budget narrative which 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 efficiency of costs vs. proposed performance targets.**

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 includes per diem and shall be broken down by traveler, transportation 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, monitoring mechanisms.*

e. Applicant Co-Financing (Leverage)

The grantee may be required to commit a minimum cost share under standard cost reimbursable grants.⁵ In some cases, a leveraged mobilization of private sector expertise, contributions, and resources on at least a 1:1 basis may be required.⁶ Forgone profit does not qualify as cost sharing or leveraging. In accordance with 2 CFR 200.306, cost sharing will not be used as a separate factor during the merit review of applications.

Submission of the full Application:

Full applications should be submitted through Palladium's online portal at <https://palladium-cp.enquire.cloud/> or send it by e-mail at CATALYZE.Procurements@thepalladiumgroup.com. no later than September 29, 2023.

Information about the evaluation of full applications is included in Section IV of this RFA.

⁵ Cost Share or "matching" refers to the total amount of resources the recipient contributes to the agreement. It must be verifiable and can be audited.

⁶ (Leverage: Resources that a non-traditional USAID partner brings to a public-private partnership, i.e., the portion not being borne by USAID. These non-traditional resource partners are typically NOT receiving USAID funds. It can be a variety of forms—anything of value that is measured, financial contributions, third party contributions, donated services or property, or intellectual property. It **cannot** be audited.

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 preparation of the concept note and the full application shall be at the expense of the applicant.

This RFA includes a three-phase review and selection process, which includes the following elements:

- i. Initial evaluation of concept notes (Section III, Step 1) received as a result of Phase 1
- ii. Notification to applicants of inclusion in or exclusion from Phase 2 (Co-Creation)
- iii. Co-creation and refinement of the scope of work through a co-creation process in Phase 2
- iv. Submission of technical and financial application (Section III, Step 2) as part of Phase 3 upon request after completion of Phase 2
- v. Initial evaluation of full applications received as a result of Phase 3
- vi. Notification to applicants of final award decision based on the evaluation of the application submitted in Phase 3

STEP 1 – EVALUATION OF CONCEPT NOTES

All concept notes will be reviewed by an officially convened Grants Evaluation Committee and evaluated and scored objectively using established criteria presented below. Applicants are encouraged to meet one or more of the criteria below. Palladium may select multiple applicants or a consortium of applicants to proceed to the co-creation phase, in order to ensure that most or all of the technical criteria are met.

Only concept notes from applicants that meet the eligibility requirements included in [Section II](#) of this RFA will be formally evaluated using the following criteria. Please note: applicants are encouraged to meet one or more of the criteria below. Multiple applicants or a consortium of applicants may be selected to move onto the co-creation workshop phase, in order to ensure that most or all technical criteria are met.

Criteria	Qualification Factors	Yes/No
Technical Approach	<p>Provides a clear explanation of the problem/challenge the Offeror is addressing and how the Offeror’s solution and theory of change will address at least one of the following:</p> <ul style="list-style-type: none"> ● Expand access to quality ECCE for Paraguay’s marginalized and vulnerable children ages 3-5, as well as younger children under the age of 3; ● Improve structural (class size, student/teacher ratio, infrastructure, safety) and procedural (developmentally appropriate, play-based curriculum, family engagement, teaching and learning materials, etc.) ECCE program quality; ● Increase professionalization of teachers and ECCE provider management and payment systems; this should include training and regular coaching/mentoring for teachers and/or other ECCE providers; ● Provide ECCE models that are responsive to family’s needs that may contribute to the improved livelihood outcomes for women caregivers. 	Y/N
Impact on Target Groups and Women	<p>Demonstrates impact/scalability of proposed approach in relation to:</p> <ul style="list-style-type: none"> ● A theory of change leading to development and learning outcomes for marginalized and vulnerable children, including a reasonable plan for measuring and/or working with an evaluation partner to measure development and learning outcomes for children ages 3-5 (and 0-3 as appropriate); 	Y/N

	<ul style="list-style-type: none"> • Potential for contributing to the improved income-earning capacity of female ECCE owners and workers as well as mothers or other female caregivers. 	
Private Sector Engagement	Adequately demonstrates a commitment to expand multi-stakeholder investments and innovations in ECCE to achieve sustainable outcomes in access, program quality (structural and procedural), teacher professionalization and women’s economic empowerment, i.e., entrepreneurship success for ECCE owners, professionalization of teachers and caregivers, better wages for higher quality jobs enabled by better access to quality ECCE)	Y/N
Cross-Cutting Considerations	<ul style="list-style-type: none"> • Adequately demonstrates alignment with GoP policy and regulatory principles, goals and strategies as defined in key documents such as the ECD National Plan et. al. • Adequately demonstrates alignment with USAID/Paraguay ECEYE and other donor-funded programs/activities. 	Y/N
Applicant/ Partnership Capabilities	<ul style="list-style-type: none"> • Demonstrated past performance of the applicant and other proposed partners; • Demonstrated track record rolling-out similar solutions or initiatives in Paraguay or similar markets; • Demonstrated track record of conducting gender-sensitive monitoring and evaluation. 	Y/N

STEP 2 – EVALUATION OF FULL APPLICATIONS

Palladium 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.

Evaluation Criteria

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

Criteria	Explanation	Scoring (Exceptional, Very Good, Satisfactory, Marginal, Unacceptable)
Sound Technical Approach	Clear articulation of the problem or challenge and how the proposed solution and evidence-based theory of change will address the challenge of increasing access to and use of high-quality ECCE for Paraguay marginalized populations or improve the quality of an existing ECCE program to improve development and learning outcomes for children, in addition to	

	<p>unlocking economic opportunity for women by providing childcare options.</p> <p>Approach and solution must provide services for children ages 3-5 and as well as younger children under the age of 3.</p> <p>Soundness of the proposed solution and implementation (including roles and responsibilities for each partner).</p> <p>Operational feasibility and appropriateness of the proposed solution in the Paraguay context.</p>	
Potential Impact	<p>Impact of the proposed approach on the equitable access to quality ECCE in Paraguay, including 1) potential number of Paraguayans served through proposed solution; 2) benefits to and inclusion of marginalized women, children, and families (preferred); 3) quality of ECCE provision in Paraguay; 4) improved development and learning outcomes for marginalized children (for children ages 3-5 and children under the age of 3).</p> <p>Clear approach for measuring and/or working with an evaluation partner to measure impacts on children, women and families, as well as improved development and learning outcomes for marginalized children.</p>	
Potential Sustainability	<p>Clear pathway to sustainability for the initiative to ensure successful approaches are continued, replicated, and scaled with minimal dependency on grant funding in the future. This should include strategies to make ECCE interventions/models more scalable and investment-ready or a strategy to mobilize private (non-state) capital during the period-of-performance.</p>	
Applicant/ Partnership Capabilities	<p>Past performance and buy-in of the applicant and other proposed partners. Demonstrated track record rolling-out similar solutions or initiatives in Paraguay or similar markets. Demonstrated track record of conducting gender-sensitive monitoring & evaluation.</p>	
Co-investment Commitment	<p>Demonstrated Commitment to leverage private sector resources to achieve program objectives (financial and in-kind). Potential amount and feasibility of applicant and other private sector partners' in-kind or financial co-investments to ensure</p>	

	success, impact, and sustainability of the proposed solution, partnership or initiative.	
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Proposed costs will be evaluated for reasonableness, completeness, and overall efficiency in meeting the proposed performance targets, and will play a larger determining factor in instances where bidders are reasonably close in technical evaluation.

SECTION V: AWARD ADMINISTRATION INFORMATION

a. Award Notices

Upon approval by USAID, a notice of award will be provided along with a draft grant document for review.

b. Award Administration Standards

Grants resulting from this solicitation will be administered in accordance with 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

The frequency and means of presentation of the financial and programmatic reports required by the Grant will be established in the Grant Agreement

d. Branding & Marking Requirements

Apparently successful applicants will be required to submit a Branding Strategy and a Marking Plan that complies with 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.

e. Environmental Compliance

The grants program anticipates funding only activities that fall under the categorical exclusions of “USAID Environmental Guidelines.”⁷ Therefore, if all activities under a specific grant are identified as

⁷ 22 CFR 216

category 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."

Palladium 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.