



ANNUAL PROGRAM STATEMENT (APS)

BIG SMALL BUSINESSES PROJECT

Name of the Project	Big Small Businesses project (Projekat velika mala privreda)
Annual Program Statement (APS) No.	TPI APS 2023-01
Date of Issue	June 21, 2023.
E-mail, Closing Date, and Time for Receipt of Applications <i>(Late applications will not be considered.)</i>	Grants_Serbia@acdivoca-serbia.org April 30, 2024. 17:00 CET
Questions on this solicitation should be submitted to the e-mail address provided no later than the date indicated.	Grants_Serbia@acdivoca-serbia.org , from June 21, 2023, to March 31, 2024. 17:00 CET.

I BACKGROUND

Serbia has many competitive advantages that can generate economic growth, including proximity to high-value European markets, competitive labor, energy, and raw materials prices, and an established industrial and manufacturing base. After the privatization in 2000 Serbian business sector was polarized into a few powerful and formerly state-owned corporations and a large SME sector with limited access to information, markets, and resources. While in certain industries (e.g., ICT, auto parts), the country's entrepreneurship environment has improved, financial system constraints, workforce challenges, fragmentation, difficulties in scaling investments in innovation and technology, and other systemic barriers limit SME competitiveness and market access.

Serbia runs a bank-centric financial system, which limits the scaling of alternative financial instruments for SMEs. Serbia's workforce is highly educated but unaligned with the current transitional economy, which demands innovators, entrepreneurs, and managers. Over the past decade, the Government of Serbia (GOS) and donors have invested significant financial and technical support into the SME sector. These efforts have achieved notable progress in enhancing growth by designating priority sectors and establishing subsidies and guarantees. However, wide gaps in awareness of SME support programs and market opportunities remain, especially outside of Belgrade and large urban areas. In rural Serbia, traditional social norms, emigration, and regional differences in infrastructure and support systems further constrain SMEs' ability to scale in key sectors such as agriculture and light manufacturing.

These two key sectors are dominated by micro and small enterprises with low per capita value but have high employment and solid prospects for accessing high-value markets like the EU. A systemic market facilitative approach to both sectors that engage local actors in co-creating solutions to shared challenges, developing replicable models of success that can have a wide-reaching impact, building capacity, and information networks, and improving the inclusiveness of the overall system would result in broad-based and sustainable growth.

II. PROGRAM DESCRIPTION AND OBJECTIVES

The United States Agency for International Development (USAID) Big Small Businesses project (Projekat velika mala privreda), hereinafter the Project, is a five-year activity implemented in partnership with ACDI/VOCA, J.E. Austin Associates, CEVES, and the Ana and Vlade Divac Foundation.

The Project aims to create and strengthen an ecosystem to help Serbian SMEs better integrate into higher value-added markets and actively participate in more inclusive and sustainable market systems. Working through a wide range of Serbian market actors locally, the Project will catalyze new behaviors, relationships, and the improved performance of SMEs and their support systems.

The Big Small Businesses Project has four primary objectives:

- Objective 1: Improve SME Productivity and Profitability
- Objective 2: Expand SME Markets and Exports
- Objective 3: Increase SME Utilization of Financial Instruments
- Objective 4 (Cross-Cutting): Develop a Skilled and Diversified Workforce

The above objectives and the Project's outputs are expected to generate the following specific results within the five-year Project implementation period:

- Percentage (%) change in sales of firms impacted by Project assistance (40% increase in sales for participating SMEs)
- Support at least 1,000 Serbian enterprises and improve the productivity and profitability of SMEs through enhanced management and modernization (technologies)
- Number of new market products or services as a result of the Project assistance (500 new market products or services)
- Increase SME utilization of financing instruments: generate \$50 million in new investment.
- Improve human capacity development and create at least 1,200 new jobs in the agricultural and food and equipment and machinery sectors (50% filled by females and 40% filled by youth)
- Cross-cutting: Ensure inclusion of female participants (50%) and youth participants (35%) in Project - assisted programs designed to increase access to productive economic resources (assets, credit, income, or employment)

To achieve its goals, the Project will employ facilitative market systems approach that puts Serbian actors in the lead and enables regionally tailored implementation* in the **focus sectors of Agriculture & Food and Equipment and Machines** – with **intersectional opportunities in Digitalization, Green Economy, and Creative Industry applications**. The Project will utilize the Transformational Partnership and Innovation (TPI) Fund, expected to leverage locally available resources in Serbia, to address gaps in the Serbian market system with opportunities to engage system actors in efforts supporting experimentation and learning. The market-driven, performance-based fund will incentivize long-term relationships between market actors, providing opportunities for partners across Serbia to co-create, launch pilots, then scale interventions. Partnership agreements will align incentives to impact through a pay-for-results model that is competitive and milestone-based. The Project has adopted a Gender Youth and Social Inclusion (GYSI) Strategy with a strong emphasis on the economically excluded population - youth and women from underserved and rural regions in Serbia and a central vision to enable **“Women and men, boys and girls, [to] benefit from inclusive and sustainable economic development and decent employment.”** Therefore, the Project will invest in inclusive outcomes by expanding opportunities for women and youth through actors in workforce development, the private sector, and the education system.

**The Project intends to include the entire territory of Serbia, prioritizing Serbia's targeted regions (municipalities from Groups III, IV, and less developed areas predominantly in Agriculture and Food sector); however, supply chains and firms from both main industries/ sectors, are likely to be spread throughout the country, so involving the municipalities in Groups I and II regions will also be necessary. The development classification of the regions and municipalities is based on the Ordinance on determining the consolidated list of the regions' development and local self-government units for 2014 (Official Gazette of the Republic of Serbia 104/2014 on October 1, 2014.). Serbia's regions may be found on the map of the Development Agency of Serbia (DAS) <http://ras.gov.rs/uploads/2017/09/mapa-uredba-sr-eng.pdf>*

III. OBJECTIVES OF THE ANNUAL PROGRAM STATEMENT

Consistent with USAID's Private Sector Engagement Policy, the focus of this APS is proactive engagement of and collaboration with the private sector to mobilize market-based solutions for more-sustainable outcomes and leverage private-sector expertise, innovation, and resources to catalyze private investment toward shared interests in the priority areas indicated in Section IV. ACDI/VOCA, in partnership with select private sector firms, and based on the conducted market analysis, will design a market-oriented approach to understand the industry and market constraints; identify opportunities to co-design and collaborate in the design and implementation of market-based solutions. This APS describes and provides a process through which the

private sector, the Project, and other organizations can collaborate to build effective partnerships that leverage private sector expertise to identify, develop and pursue market-based solutions to key development challenges.

The partnerships created through this APS should advance and achieve the following:

- a) private sector-led market-driven and market-oriented development.
- b) the Big Small Businesses project's strategic priorities and objectives.
- c) the ongoing and sustainable generation of valuable development outcomes, results, and impact; and
- d) investing in inclusive outcomes through enabling opportunities for women and youth.

This APS requests Expression of Interest (EOI) submissions. Based on those submissions, which must demonstrate willingness for extensive engagement of and co-creation with the private sector, the Project will determine whether to continue with the co-creation process set forth under this APS.

EOI submitted under this APS must demonstrate clear pathways for prospective private sector partners to collaborate with ACDI/VOCA to help advance market-based solutions that foster business success and achieve sustained development impact in priority areas indicated in Section IV. It should demonstrate the private sector and other interested organizations' ability to discover our respective value propositions and apply them in ways that achieve **core business objectives** and drive greater development impact, and effectively **deliver** development **outcomes and results** that **directly advance the priorities and objectives of the Big Small Businesses project** as described in this APS. It should foster or advance an **approach and solution** to a development challenge **that is market-based, market-driven, market-oriented, or market-informed** with the prospect of ongoing, sustainable, **and steadily expanding results**; offer approaches and solutions that are not dependent on repeated infusions of donor funding; bring **leverage contribution** of significant resources for increased impact (**minimum 30%**); offer efficient and practical plan(s) to ensure **inclusiveness of women and youth**.

Priority will be given to collaborations characterized by the advancement of market-based approaches and enterprise-driven development; however, this APS can be used to consider, develop, and support any collaboration with the private sector that advances economic and social development aligned with the Project goals and objectives.

IV. PRIORITY AREAS

The Big Small Businesses project aims to identify and respond to critical challenges and emerging opportunities for Serbian SMEs in the agriculture and food (A&F) and equipment and machines (E&M) sectors, with intersectional opportunities in digitalization, green economy, and creative industry applications.

For interventions in the A&F sector, one of the main focuses will be the fruit and vegetables (F&V) subsector, fresh, frozen, and processed, due to Serbia's exhibited competitiveness, high potential for inclusive growth, its substantial presence in many of Serbia's less developed districts and municipalities, and potential for scale-up and spillover effects in this subsector.

The E&M sector takes a central position in the manufacturing network of the country, having resource and technical links to the other sectors of the economy. The Project aims to support solutions for different sector segments, ranging from machines, devices, components (mechanical or electrical), and various fabricated metal/plastic and rubber products. This sector can lead cross-cutting activities as it horizontally includes digital and creative Business Service Providers (BSP) and companies that provide green tech solutions.

During the period from June 21, 2023, to April 30, 2024, the Project will support activities in the following areas:

Expanding SME Markets and Exports

Agriculture & Food Sector

- ✓ Establishing and building B2B opportunities for Serbian SMEs both in Serbia and abroad

- ✓ Strengthening local SMEs/aggregators to build innovative cooperative models and improve access to high-value retail markets.
- ✓ Facilitating the expansion of e-commerce

Equipment & Machines Sector

- ✓ Establishing and building B2B opportunities for Serbian SMEs both in Serbia and abroad

Improving SME Productivity and Profitability

Agriculture & Food Sector

- ✓ Expanding digitalization in agriculture to address climate change issues, primarily focusing on solutions for smallholder traditional producers.
- ✓ Expanding green economy – renewable energy, zero waste, and circular economy solutions

Equipment & Machines Sector

- ✓ Expanding production and management process improvements through digitalization and adoption of new standards and certifications
- ✓ Expanding green economy – renewable energy, zero waste, and circular economy solutions

Increase SME Utilization of Financial Instruments

Agriculture & Food Sector

- ✓ Introducing and expanding innovative microfinance solutions for smallholders in target regions III, IV, and V
- ✓ Strengthening and expanding networks of Business Service Providers (BSPs) for SMEs, particularly in target regions III, IV, and V, to enhance the utilization of the DFC credit guarantee and all other available sources of finance.
- ✓ Introducing innovative digital finance solutions with commercial banks and other providers of financial services

Equipment & Machines Sector

- ✓ Strengthening and expanding networks of Business Service Providers (BSPs) for SMEs to enhance the utilization of the DFC credit guarantee and all other available sources of finance.
- ✓ Building new support programs with the government and other stakeholders for supporting SMEs

Develop a Skilled and Diversified Workforce

Agriculture & Food Sector; Equipment & Machines Sector

- ✓ Bridging the education system and private sector through innovative education and workforce development models, with a particular focus on youth employability and entrepreneurship
- ✓ Expanding digitalization of knowledge transfer

The Project will advise and support each TPI Fund partner and grant recipient on gender and youth inclusion. Advisory support will be provided as needed throughout the grant implementation lifecycle.

V. BUDGET ALLOCATION AND NUMBER OF AWARDS

The tentative budget allocation for this APS is \$1,000,000.00. Subject to the availability of funds, the Project intends to award multiple grants (up to 30 awards) to fund activities that advance the Project's objectives and generate results supporting those objectives. The amount of each grant is subject to negotiation based on the development impact and effectiveness of the proposed budget.

The expected implementation period of the awarded grant will not exceed twelve months.

The TPI Fund **will not provide finance** for the following activities:

- Construction
- Commodities that are ineligible under USAID regulations *a list of ineligible commodities may be found here:*
<https://www.usaid.gov/sites/default/files/documents/312.pdf>
- Procurement of real property



- Profit*
- Payment of loan interest
- Deliverables of a religious nature

The following is **subject to obtaining prior approval** to be financed through the TPI Fund:

- Equipment (tangible nonexpendable personal property, including information technology systems, having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit).

**Please see Section X Awards Administration for the details on profit funding restrictions, regulations, and principles under the assistance instruments.*

VI. LEVERAGE CONTRIBUTION

TPI Fund applicants must show proof of their ability to leverage their resources (e.g., part of the costs of the initiative borne by the applicant) and resources from third parties. Third parties' contributions may be provided by the host government, private foundations, businesses, other donors (non-US Government funds), or individuals. Leverage is an input or contribution, not the output or outcome of the partnership. It may take the form of in-kind (investments made in the form of goods and services) or cash contributions, investments or capital, financing mechanisms, or other contributions that further the objectives of the Project. In a broad sense, leverage includes anything of value that can be measured, including loans received to contribute toward the partnership and services or property, such as fixed assets. Leverage must be reported in the selected applicants' financial and progress reports but is not subject to audit. Leverage contribution may include, but is not limited to, investment in long-life assets such as:

- ✓ Construction or renovation of the facility
- ✓ Procurement of land and facilities
- ✓ Procurement of machinery and equipment
- ✓ Procurement of Inputs
- ✓ Other capital expenses, e.g., vehicle
- ✓ Technology, ITC Apps., and capital assets
- ✓ Use of training or other purpose-specific facilities necessary for a program's implementation
- ✓ Value of time donated by technical consultants or company employees whose work and expertise are necessary to a project.
- ✓ Value of salaries for staff dedicated to a project.
- ✓ Intellectual property rights
- ✓ Licenses

Under the TPI Fund and this APS, **applicants must provide a minimum 30% contribution as leverage.** The Project may consider a lower contribution level if the proposed activity offers greater results and impact (e.g., the potential for large-scale market impact in sales, employment, and new product development; investment greater than \$500,000.00, and inclusivity of women and youth over 50%). In addition, depending on the ideas in question, the partners involved, and other circumstances and considerations, the Project may seek a higher level of leverage contribution either as part of an applicant's EOI submission or an applicant's Final Application. Higher leverage contributions are encouraged and will be evaluated positively per the application evaluation criteria. In all cases, the Project and the partners will seek the combination of cash and in-kind resources that best advance the Big Small Businesses project's objectives.

VII. PARTNERS' IDENTIFICATION AND ELIGIBILITY REQUIREMENTS

Partners' Identification:

This APS is open to eligible, legally registered entities in Serbia willing to collaborate and co-create activities to enhance SME development in the targeted industry sectors and the Project Priority Areas (Section IV).

In line with USAID's New Partnership Initiative (NPI), the Project will strive to encourage the participation of the partners/applicants who have no previous experience with USAID projects in this funding opportunity.



Collaborations supported under this APS must result from co-creation between the Project and at least one of the private sector entities listed below:

- ✓ Private for-profits, commercial entities such as a business, corporation, small or medium enterprise, or private firm (e.g., business service providers; industry leads, commercial and trade leads).
- ✓ Private foundations affiliated with private for-profit commercial entities.
- ✓ Private finance providers, intermediaries, or financial institutions, including banks, private investment firms, mutual funds, private equity funds, pension funds, and insurance companies, finance service providers.
- ✓ Private business or industry associations, including but not limited to chambers of commerce, educational organizations, and related types of entities.
- ✓ Cooperatives.

A collaboration could include other or implicated partners as needed or the Project demands. In addition, any potential partner under this APS must have a reputation for integrity and the highest standard of conduct.

As noted above, the standard and preferred approach under this APS is to have EOIs submitted by a private sector entity as defined above. Following conversations and consultations with the private sector partner and based on the prospective collaboration, the Project may determine the entity type which will submit an EOI.

Parastatals and government-owned companies, non-profit, non-governmental organizations (except for business and industry associations), and individuals (physical persons) do not qualify as private sector entities under this APS.

Eligible Applicant organizations must adhere to the following requirements:

- Be legally registered for a minimum of three years.
- Demonstrate ability, professional competencies, and qualifications to contribute to the objectives of the Project.
- Display sound financial, administrative, and technical management capacities to support achieving the award's objectives (i.e., have stable and sufficient sources of finance to maintain the activity throughout the grant period and beyond).
- Maintain a double-entry accounting system (private entities).
- Record net profit in Profit and Loss P&L accounts in the previous two (2) years (private entities).
- Micro and small entities, including entrepreneurs, must demonstrate that they possess the financial resources to implement the grant (e.g., provide bank account statement(s) and statements on solvency).
- Eligible organizations must have satisfactory performance, integrity records, business ethics, and demonstrated capacity and capability to conduct the grant activity and produce the desired results.

It is a requirement that the grantee conducts its daily operation in strict accordance with Serbian laws and regulations.

The Project may consider partnering with the newly founded entities (legally registered for less than three years) on a case-by-case basis if they propose an innovative* approach or specific programs/activities that advance the inclusion of women and youth.

**Innovation refers to the novel business or organizational models, operational or production processes, or products or services that lead to substantial improvements (not incremental ones) in executing against development challenges. It includes but is not limited to new or significantly improved products or services; making the same product with better components or a new product or service that is more user-friendly; new ways in which a business can deliver its product or service, e.g., changes in technologies, techniques, equipment, or software; the way the product or service appears to customers, e.g., new packaging or ad campaigns; organizational innovation, e.g., an internal change to business practices or an external change to business relations with other entities.*

If an entity or its key personnel appear on any of the following INELIGIBLE entities and persons' lists, it is automatically ineligible to receive a grant:



1. The System for Award Management (SAM) (<https://www.sam.gov>).
2. The Specially Designated Nationals (SDN) and Blocked Persons List maintained by the U.S. Treasury for the Office of Foreign Assets Control sometimes referred to as the “OFAC List” (<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>); and
3. The United Nations Security designation list (http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml)

The Project will conduct the complete screening of the applicant’s appearance on the above-noted lists using the CSI Watchdog Elite database.

VIII. COLLABORATION AND CO-CREATION PROCESS

Under this APS, the development of collaborations and co-creation between the Big Small Businesses project and the private sector occurs through the process outlined below:

Step 1 – EOI Submission

The potential applicants may submit the Expression of Interest via e-mail at Grants_Serbia@acdivoca-serbia.org with the following subject: TPI APS 2023-01EOI-name of the entity-priority area (e.g., TPI APS 2023-01EOI-ACDI/VOCA-Improving SME Productivity and Profitability) **any time between June 21, 2023, and April 30, 2024, 5:00 pm.**

The prospective grantees may submit multiple EOIs targeting different Priority areas under this APS.

The Project will hold group info sessions if deemed appropriate. Questions on this solicitation should be submitted to the e-mail address Grants_Serbia@acdivoca-serbia.org from June 21, 2023, to March 31, 2024, 17:00 CET. The answers will be posted and regularly updated on the Project website: www.velikamalapriveda.rs.

The EOI should convey initial ideas regarding a proposed collaboration and co-creation. As the co-creation process continues, the ideas and approaches may evolve as the partners determine the most appropriate way to address the problems, challenges, issues, and opportunities.

The Project team will provide considerable technical assistance during the partnership development, collaboration, and co-creation process with input and significant expertise from all Project Partners and our technical staff. During the process, we aim to jointly detect, develop, and scale up activities with potential.

This assistance includes knowledge sharing with partners: the Project has prepared many research papers and studies for both A&F and E&M sectors to better understand gaps and challenges that point out improvement opportunities for potential partners. These include market competitiveness and market system diagnostics, financial system analysis, SME support system overview, workforce and GYSI data, and information on cross-cutting green and digital opportunities.

In addition, the Project continuously develops new materials and annually surveys hundreds of businesses in both sectors to have a dynamic overview of the changes.

EOI Form

EOIs must be submitted in English, as a text document or a PPT presentation:

1. If prepared as a text document, the EOI should have a maximum of 1500 fonts no smaller than 12pt and be submitted in the form attached to this APS as Appendix A.
2. If submitted as a PPT presentation, the EOI should have a maximum of ten slides, not counting the cover/title and end/contact slide. The slides should use fonts no smaller than 12pt and a total word count of no more than 1500, and contain all the information required in this APS Appendix A.

Submissions not complying with the above requirements will not be reviewed.



EOIs should be submitted by the prospective private sector partner; however, when it is in the best interest of the initiative implementation, the representatives from the private sector entity and the Project may jointly determine that the concept should be submitted by another eligible organization participating in the collaboration.

Step 2 – EOI Review

The EOI review under this APS will determine whether the Project will continue working with the private sector to develop the collaboration from the concept submission further. This review does not involve the formation of a formal Grants Evaluation Committee (GEC); rather, EOIs submitted under this APS will be reviewed by the technical lead and other Project personnel as needed and appointed by the COP. All reviewers will sign a Certification and Agreement for using Applications and Disclosure of Conflict of Interests before reviewing the EOI. The Project will not share any submission documents received under this APS with third parties without the written permission of the entity submitting the document.

Before making any determinations regarding the EOI, the appointed technical lead can communicate directly (via phone, email, video chat, or in-person meetings) with the potential partners. This includes but is not limited to asking clarifying questions, seeking additional details, or communicating to ensure enough understanding of the EOI to decide on further steps.

When determining whether the Project will continue collaboration and co-creation with the potential partner, the assigned reviewer(s) will consider the following questions:

1. Does the EOI provide the information requested in Appendix A. or other approved formats?
2. Is the proposed collaboration consistent with the purpose of this APS?
3. Does the proposed collaboration have a valuable enough development impact in terms of outcomes, results, sustainability, inclusivity, and potential for broader application (scalability) for the technical team to continue with the co-creation process under the APS?

The EOI review and communication will result in one of three outcomes:

1. A decision to forego further consideration of the activity proposed in the EOI
2. A decision to provide an opportunity to submit a revised EOI; or
3. A decision to engage in the co-creation and development of the Full Application

Note: A decision to engage in the co-creation is NOT a commitment to funding, it is simply a decision to move forward in the collaborative co-creation effort to develop a high-impact proposal for further consideration and evaluation.

The technical lead reviewing the EOI will send an email to the potential private sector partner(s) indicating the technical team's decision **within 30 calendar days of receiving the EOI**.

The notification on co-creation will contain the expected/tentative timeline for the co-creation process.

Step 3 - Co-Creation Process

Following a favorable review of the EOI, the Project appointed technical lead will engage in co-creating with the private sector (and other partners as appropriate). While the Project personnel cannot write or edit drafts of the application, they will provide consultations and communicate with the applicant regarding the scope and nature of the collaboration. Partners will work together to determine: specific roles and responsibilities; decision-making and governance approaches; what resources will be provided and how they will be applied; key program implementation factors and interdependencies; activities to be conducted; outcomes and results to be achieved; timelines, milestones and payments related to achieving identified milestones; prospective monitoring and evaluation approaches; and other matters the partners identify need to be resolved before the partners can commit to and implement the co-created collaboration. Pricing, costs, leverage, and budget will



be discussed, assessed, and developed as part of the co-creation process. The budget will be negotiated and finalized based on funds availability in line with the overall budget allocation stated in Section V. of this APS.

The expected timeline for the co-creation process is 30 calendar days.

This process will result in the development of a final application that will be submitted to the Grants Evaluation Committee (GEC).

Step 4- Final Application Submission

The applicant will use the following forms attached to this APS: Appendix B. Full Application Form, Appendix C. Detailed Budget Form, and Appendix D. Certifications, Assurances, and Other Statements of Subrecipients. The applications will be submitted within the timeline agreed upon between the Project technical team and the partner. Full applications will be submitted via e-mail at Grants_Serbia@acdivoca-serbia.org with the following subject: TPI APS 2023-01FA-name of the entity-priority area (e.g., TPI APS 2023-01FA-ACDI/VOCA-Improving SME Productivity and Profitability)

In this phase, the Project will require applicants to submit the following supporting documents:

- Names of organization owners, directors, and managers (IDs may be requested when appropriate).
- Resumes for key proposed staff.
- Copy of the organization's organizational chart.
- Copy of the organization's personnel policies and procedures (if available).
- Copies of financial reports for the previous 3-year period.
- For micro-entities and entrepreneurs, copies of bank statements and solvency statements.
- Signed copies of the Certificate Regarding Terrorist Financing and other applicable certifications (attached as Appendix D. to this APS).
- Unique Entity ID (UEI) or copy of the confirmation of the request for UEI from SAM.gov if the amount requested exceeds \$30,000. *Instructions for UEI number registration may be found here: [Quick Start Guide for Getting a Unique Entity ID.pdf](#)*

The Project also may request other documents as needed, such as:

- Certificates from the relevant Serbian Government bodies, authorities, and institutions, or Statements from the applicants that the legal entity or its representatives have never been convicted for any criminal charges or grave professional misconduct by violating applicable laws or regulations or ethical standards of the profession.
- Certificates from the relevant Serbian Government bodies, authorities, and institutions, or Statements from the applicants, that the entity is not in debt for taxes or similar documents.

Please note that the USAID Big Small Businesses project will fully respect the confidentiality of proprietary information and personnel data of all organizations involved in the program.

IX. EVALUATION AND SELECTION CRITERIA

The Project will convene an independent Grants Evaluation Committee (GEC) of at least three voting members to review, evaluate, and select applications for funding based on the following merits.

Evaluation Criteria:

- Technical, Management, and Operational Capacity (30 points): Management capability, personnel qualifications, experience, and other capabilities required to ensure successful business management. The ability of the entity to manage government funding and meet the grant conditions and commitments.
- Impact and Sustainability (25 points): Impact to be created (e.g., number of beneficiaries, jobs created, sales generated, investments made); The commercial viability of a grant proposal and the enterprise's business model, including the extent to which it will result in sustained development impact.



- Scalability (15 points): The extent to which the proposed activities can be expanded and scaled to impact a greater number of firms or their customers; the extent to which the activities are replicable and offer the potential for crowding-in to achieve economies of scale.
- Inclusivity (15 points): The extent to which the applicant integrates women, youth, and other marginalized participants within their overarching business model.
- Cost-Effectiveness and Leverage (15 points): What resources are provided for the proposed costs? Is the budget realistic, well-thought-out, and aligned with the proposed activities? Are costs proposed reasonable, allocable, and allowable? Does the applicant have available financial resources or the ability to obtain such resources as required during the performance of the grant? The recipients' willingness to contribute their funds and the applicant's ability to leverage other funds towards the activity to achieve change, and the transformation, or multiplier, achieved on that investment in the system.

The technical lead assigned to facilitate co-creation and collaboration development cannot be appointed as a GEC voting member. He/she will present the final application to the GEC members and answer any preliminary questions the GEC members might have regarding the final application under review.

GEC may request additional information or clarification from the applicants before finalizing the selection of applications. To be selected, the application must obtain at least 65 points.

Big Small Businesses project implements an adaptive management and implementation approach. The APS content, including selection criteria, may change at some point due to lessons learned and changes in context. All changes will be made available through an Amendment of the existing APS.

X. PRE-AWARD ASSESSMENT

The Project will conduct a pre-award responsibility assessment, due diligence, and risk evaluation to determine the applicant's responsibility, the type of grant instrument, and the award terms and conditions. In making these determinations, the Project will consider whether the applicant possesses the organizational capacity, financial capacity, internal controls, procurement systems (if required), past performance, and business ethics and integrity records to successfully implement the grant activities and comply with the USAID requirements. Only responsible entities may receive grant support.

Selected applications will be presented to USAID Agreement Officer Representative (AOR) for concurrence/approval.

The Project will respond to unsuccessful applicants no later than 30 calendar days from the Final Application receipt date.

XI. AWARD ADMINISTRATION

Pursuant to 2 CFR 200 Subpart E and 2 CFR 700.13, it is USAID's policy not to award profit under assistance instruments. However, all reasonable, allocable, and allowable expenses, both direct and indirect, that are related to the grant activity and are in accordance with applicable cost standards (2 CFR 200 Subpart E for non-profit organizations and educational institutions, and the Federal Acquisition Regulation (FAR) Part 31 for for-profit organizations, may be paid under the grant. Any resultant award will be subject to the terms and conditions of the Prime Award (Cooperative Agreement) for the USAID Big Small Businesses project, Including 2 CFR 200 Subparts E and F and the Standard Provisions for Non-U.S. Non-governmental Recipients.

XII. DISCLAIMERS AND ACCEPTANCE OF APPLICATIONS

This APS represents a definition of requirements and is an invitation for submitting EOI and engaging in further co-creation and collaboration development efforts. The Project and ACDI/VOCA reserve the right to

provide funding in response to any or none of the applications. No commitment is made, expressed or implied, to compensate applicants for costs incurred in preparing and submitting their applications.

The Project and ACDI/VOCA may reject any incomplete application. A complete application complies with all terms and conditions of the APS. The applications must be completed in the designated formats, signed by an authorized signatory, and delivered no later than the submission date and time indicated in the e-mail invitation or by the time and date indicated on the cover sheet of this APS. The Project and ACDI/VOCA may reserve the right to waive any minor discrepancies in an application.

The Project and ACDI/VOCA reserve the right to issue an award based on the evaluation of applications without discussion. ACDI/VOCA also reserves the right to move forward with any responsive applicants for all or part of the proposed grant activity and the work plan.

XIII. APPENDICES

- A. Expression of Interest (EOI) Form**
- B. Final Application Form**
- C. Detailed Budget Form**
- D. Certifications, Assurances, and Other Statements of Subrecipients**



Appendix A. Expression of Interest (EOI) Template

1. General Information

Date of EOI Submission	
Title of the Grant Activity	
Name of the Organization/Enterprise (As per Registry) and abbreviate name	
Address of the organization/enterprise	
Registration Number and date of registration; Tax ID Number (UEI number if available)	
Owner of the enterprise	Name:
	<input type="checkbox"/> Male <input type="checkbox"/> Female
	<input type="checkbox"/> Age more than 29 <input type="checkbox"/> Age 15- 29
Manager (If different from the owner)	Name:
	<input type="checkbox"/> Male <input type="checkbox"/> Female
	<input type="checkbox"/> Age more than 29 <input type="checkbox"/> Age 15- 29
The sector of the enterprise and primary business operations	
Contact information	Postal address of the enterprise, official website, e-mail; phone
Contact person	Name and title of the contact person. E-mail, phone, skype (if applicable)

We/I hereby certify that the information contained herein and attached hereto is complete and accurate to the best of our/my knowledge.

Name of the Representative/
Head of Organization/Enterprise

Signature

Date



2. Required Technical Information (1500 characters – limitation does not include resources sections)

<p>Activity is aligned with the following objective of the Big Small Businesses project (Please select ONLY ONE):</p> <p><input type="checkbox"/> Improve SME Productivity and Profitability <input type="checkbox"/> Expand SME Markets and Exports</p> <p><input type="checkbox"/> Increase SME Utilization of Financial Instruments <input type="checkbox"/> Develop a Skilled and Diversified Workforce</p>
<p>Problem/Issue/Challenge/Opportunity – <i>Briefly describe the problem(s), issue(s), challenge(s), or opportunity(ies) the applicant entity is seeking to address, including the core business interests and objectives which motivate the private sector entity to address the problem, issue, challenge, or opportunity in question.</i></p>
<p>Proposed Activities and Market-Based Approaches - <i>Describe the core activities under the collaboration. Include how the proposed collaboration will advance market-based or enterprise-driven development and the ways in which the collaboration will advance private sector engagement and the Project SME development goals and objectives. Will the activity pilot an innovative or new business model or technology (what constitutes innovation)? Is the activity replicable with the potential for crowding to achieve economies of scale? Please include a draft practical plan to include youth and women in your activities.</i></p>
<p>Partner Roles and Responsibilities – <i>Applicants should include a list of proposed partners (private, public, NGO, etc.) and outline the proposed roles and responsibilities of the partners, including the private sector entity, the Big Small Businesses project, and any other partners deemed critical to the success of the collaboration. This is a brief, preliminary characterization of roles and responsibilities that may evolve significantly during the continuation of the co-creation process.</i></p>
<p>Anticipated Outcomes and Results – <i>Applicants should identify the specific outcomes and results the approach seeks to achieve and what would constitute “success.” Potential market-level and systemic implications of the collaboration should be noted. The nature, scope, and sustainability of the outcomes and results will be critical to assessing the costs and benefits of working together and determining whether the collaboration warrants further pursuit. Please list anticipated and achievable results as measurable outcomes of the proposed grant activities. Each result should be linked to a specific Project objective and result.</i></p>
<p>Resource Contributions from Private Sector and Other Partners - <i>Describe the resources the private sector, and other organizations, will likely contribute to the proposed collaboration and how those resources would be applied to the implementation of the collaboration. This is a preliminary description; actual resource contributions and applications may evolve significantly during the continuation of the co-creation process.</i></p>
<p>Resources Requested from the Project - <i>Describe the resources the applicant is expecting the Project to contribute to the proposed collaboration, which entities would receive those resources, how those resources would be applied to the implementation of the collaboration, and the outcomes and results expected because of those resources being applied as proposed.</i></p>



Appendix B. Full Application Template

PLEASE NOTE: THIS TEMPLATE MAY ONLY BE SUBMITTED UPON CO-CREATION

1. Entity Eligibility Check

Please check all applicable boxes and provide details as requested.

<input type="checkbox"/> Registered as a legal entity: <i>Please attach a copy of the organization's registration from the Business Registry</i> <input type="checkbox"/> Micro <input type="checkbox"/> Small <input type="checkbox"/> Medium <input type="checkbox"/> Large
<input type="checkbox"/> Applicant has a track record of successful business performance (> 3 years) <i>Please provide a brief description of your organization from establishment to date</i> <i>Please provide information on the following (as applicable):</i> <ol style="list-style-type: none"> a. <i>Annual sales turnover in the last three years (for businesses/enterprises):</i> b. <i>Markets/ customers and the number of employees:</i> c. <i>If Business Service Providers (BSP), consultants, or associations: please provide names of clients, size of contracts, and significant accomplishments from previous work (minimum 3 references), e.g., size of investments supported, number of SMEs supported, number of employees:</i>
<input type="checkbox"/> Applicant is a new business with innovation potential. <i>Please explain:</i>
<input type="checkbox"/> Partners and their roles and responsibilities. <i>Please explain:</i>
<input type="checkbox"/> Leverage contribution commitment <i>Please specify your intended leverage contribution:</i> Summary of applicant's and third parties' leverage contribution to the activity (in US\$): Cash (in US\$) _____ In-kind (in US\$) _____ Percentage of leverage: _____ Source: <input type="checkbox"/> Loan <input type="checkbox"/> External investor <input type="checkbox"/> Own funds <input type="checkbox"/> Other If "Other" please specify: Requested Grant amount from the Big Small Business Project (in US\$) _____ Purpose of Grant: <input type="checkbox"/> Technical support <input type="checkbox"/> Business Support <input type="checkbox"/> Marketing support <input type="checkbox"/> Other <i>If it is for "Other" please explain:</i> Please attach the Detailed Budget – Appendix C.
<input type="checkbox"/> Activity implementation <i>Please provide information on the proposed project's target in terms of the following</i> <ol style="list-style-type: none"> a) <i>Types of target beneficiaries (Mention who is the primary target group of the project)</i> b) <i>Expected number of target beneficiaries (Number of beneficiaries who are expected to benefit during the project's duration)</i> <i>Please specify geographic coverage (location) - What is the geographic location (Regions/ Municipalities) of the target groups?</i> <ol style="list-style-type: none"> c) <i>Please insert concrete/ specific indicators and targets that will measure the end results of the proposed activity.</i>



d) Please describe how the proposed activity will contribute to specific BSB targets described in the APS Section II (page #2)?

Proposed Grant Duration (up to 12 months):

2. Grant Activity Description

Activity is aligned with the following objective of the Big Small Businesses project (Please select **ONLY ONE**):

☐ Improve SME Productivity and Profitability ☐ Expand SME Markets and Exports ☐ Increase SME Utilization of Financial Instruments ☐ Develop a Skilled and Diversified Workforce

Relevance of the proposed grant activity: Please explain how your proposed grant activity is in line with the objectives of the Project as set forth in the APS.

Key issues: Please describe the main problems/issues the grant activity will address. Identify major players associated with the key issues/problems and indicate the roles that they have in the problem-solving process. Be specific in describing how your organization intends to address the problem and the solutions and benefits that will be achieved.

Grant Activity Goal and Objectives: Please state the overall goal of the proposed grant activity. List the specific objectives of the grant activity that must be met to achieve the overall goal. It should be clear how achieving the grant activity's goal and objectives will contribute to addressing the issues/problems listed above. Please describe the specific target groups of your grant activity and all relevant stakeholders, and briefly define how your organization will interact with these groups throughout the implementation of the grant activity. Please describe the business model (partnerships, collaborations, or strategic alliances that contribute to the project's success).

Description of Grant Activities: Please elaborate on your action plan/strategy by listing and explaining all the proposed grant activities and how they help to achieve the goal and objectives of the grant. Please keep in mind that the activities should address the cause of the key issues/problems identified and should lead to the achievement of the specific grant activity goal and objectives listed above. Please include a separate Gant chart/ Activities timeline and the proposed deliverables schedule.

Grant Activity will result in the growth of the company and those in its market system If this proposal receives support, what are the benefits to your company and other market actors in your market system? Please describe the benefits of this project relating to your 'organization's ability to achieve its goals. Please list anticipated and achievable results as measurable outcomes of the proposed grant activities. Each result should be linked to a specific objective. Please list the results and outcomes of the grant activity referring to those described in this APS

Sustainability of Grant Activities: Please elaborate on what systemic constraint is being addressed. What is the solution proposed to address the systemic constraint? Please provide evidence of commercial viability and sustainability of the solution or a proposed business model and what is the planned sustainability of the activity: the extent to which the benefits of the activity will be maintained after formal support has ended -who could provide financial and other required support for sustained development impact of the activity?

Scalability and Innovation: Please explain the possibility of the activity being expanded and scaled to impact a greater number of firms or their customers, e.g., how many more beneficiaries could the scale of the activity reach? How many more beneficiaries could the scale of the activity reach? Is the activity replicable with the potential for crowding to achieve economies of scale? Will the activity pilot an innovative or new business model or technology (what constitutes innovation)?



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Inclusiveness: *Please explain how the activity will promote female and youth, and other marginalized groups' inclusion. How will the applicant integrate females, youth, and marginalized participants within their overarching business model?*



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Appendix C.

Detailed Budget (attached as a separate Excel form)



Appendix D.

Certifications, Assurances, Representations, & Other Statements of Subrecipient

1. Assurance of Compliance with Laws and Regulations Governing Non-Discrimination in Federally Assisted Programs

Note: This certification applies to Non-U.S. organizations if any part of the program will be undertaken in the United States.

(a) The Subrecipient hereby assures that no person in the United States will, on the bases set forth below, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any program or activity receiving financial assistance from USAID, and that with respect to the Cooperative Agreement for which application is being made, it will comply with the requirements of:

- (1) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. 2000-d), which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance;
- (2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance;
- (3) The Age Discrimination Act of 1975, as amended (Pub. L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds;
- (4) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and
- (5) USAID regulations implementing the above nondiscrimination laws, set forth in Chapter II of Title 22 of the Code of Federal Regulations.

(b) If the Subrecipient is an institution of higher education, the Assurances given herein extend to admission practices and to all other practices relating to the treatment of students or clients of the institution, or relating to the opportunity to participate in the provision of services or other benefits to such individuals, and must be applicable to the entire institution unless the Subrecipient establishes to the satisfaction of the USAID Administrator that the institution's practices in designated parts or programs of the institution will in no way affect its practices in the program of the institution for which financial assistance is sought, or the beneficiaries of, or participants in, such programs.

2. Certification Regarding Lobbying

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal Cooperative Agreement, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned must complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.



- (3) The undersigned must require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subawards, and contracts under grants, loans, and cooperative agreements) and that all subrecipients must certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

“The undersigned states, to the best of his or her knowledge and belief, that: If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned must complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.”

2. Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals (ADS 206)

USAID reserves the right to terminate this Agreement, to demand a refund or take other appropriate measures if the Grantee is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140. The undersigned must review USAID ADS 206 to determine if any certifications are required for Key Individuals or Covered Participants. If there are COVERED PARTICIPANTS: USAID reserves the right to terminate assistance to or take other appropriate measures with respect to, any participant approved by USAID who is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140.

3. Certification Regarding Support to Terrorists

(1) The undersigned represents, to the best of its knowledge, that: Except as otherwise disclosed to the Agreement Officer in writing and included with this application, the applicant did not, within the previous three years, knowingly engage in transactions with, or provide material support or resources to, any individual or entity who was, at the time, subject to sanctions administered by the Office of Foreign Assets Control (OFAC) within the U.S. Department of Treasury pursuant to the Global Terrorism Sanctions Regulations (31 CFR Part 594), and the Foreign Terrorist Organizations Sanctions Regulations (31 CFR Part 597), or sanctions established by the United Nations Security Council, collectively, “U.S. or U.N. sanctions.” Note: USAID intends to retain the information disclosed to the Agreement Officer pursuant to this paragraph in any award file and use it in determining whether to provide the applicant with an assistance award. USAID will not make such information available publicly unless required by law.

(2) The representation in paragraph (1) does not apply to:

- (a) Transactions entered into or material support and resources provided pursuant to an OFAC license;
- (b) The furnishing of USAID funds, or USAID-financed commodities or other assistance, to the ultimate beneficiaries of USAID-funded humanitarian or development assistance, such as the Subrecipients of food, non-food items, medical care, micro-enterprise loans or shelter, unless the applicant knew or had reason to believe that one or more of these beneficiaries was subject to U.S. or U.N. terrorism-related sanctions; or
- (c) The procurement of goods and/or services by the Subrecipient acquired in the ordinary course of business through contract or purchase, such as utilities, rents, office supplies, or gasoline, unless the



applicant knew, or had reason to believe, that a vendor or supplier of such goods and services was subject to U.S. or U.N. sanctions. This certification includes express terms and conditions of the award, and any violation of it will be grounds for unilateral termination of the agreement by USAID. This certification does not preclude any other remedy available to USAID.

(3) For purposes of this Certification -

(a) “Material support and resources” means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials.”

(i) “Training” means instruction or teaching designed to impart a specific skill, as opposed to general knowledge.

(ii) “Expert advice or assistance” means advice or assistance derived from scientific, technical, or other specialized knowledge.

(b) “Entity” means a partnership, association, corporation, or other organization, group or subgroup.

4. Certification Regarding Trafficking in Persons, Implementing Title XVII of the National Defense Authorization Act for Fiscal Year 2013

Note: This certification must be completed prior to receiving an award if the estimated value of services required to be performed under the award outside the United States exceeds \$500,000. This certification must also be submitted annually to the Agreement Officer during the term of the award.

By signing below, the applicant or Subrecipient, as applicable, through its duly designated representative, after having conducted due diligence, hereby certifies the following:

1. The applicant/Subrecipient has implemented a compliance plan to prevent the prohibited activities identified in section (a) of the Mandatory Provision “Trafficking in Persons” and is in compliance with that plan;
2. The application/Subrecipient has implemented procedures to prevent any activities described in section (a) of the Mandatory Provision “Trafficking in Persons” and to monitor, detect, and terminate any contractor, subawardee, employee, or other agent of the applicant/Subrecipient engaging in any activities described in such section; and
3. To the best of the representative’s knowledge, neither the applicant/Subrecipient, nor any employee, contractor, or subawardee of the applicant/Subrecipient, nor any agent of the applicant/Subrecipient or of such a contractor or subawardee, is engaged in any of the activities described in section (a) the Mandatory Provision “Trafficking in Persons.”

5. Certification of Subrecipient

By signing below the Subrecipient provides certifications and assurances for (1) the Assurance of Compliance with Laws and Regulations Governing Non-Discrimination in Federally Assisted Programs, (2) the Certification Regarding Lobbying, (3) the Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals (ADS 206), (4) the Certification Regarding Terrorist Financing Implementing Executive Order 13224, and (5) the Certification Regarding Trafficking in Persons above. These certifications and assurances are given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the Subrecipient by the Agency, including installment payments after such date on account of applications for Federal financial assistance which was approved before such date. The Subrecipient recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in these assurances,

and that the United States will have the right to seek judicial enforcement of these assurances. These assurances are binding on the Subrecipient, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign these assurances on behalf of the Subrecipient.

Award/Solicitation No: Click or tap here to enter text. _____

Period of Performance: Click or tap here to enter text. _____

Name of Subrecipient: Click or tap here to enter text. _____

Typed Name and Title: Click or tap here to enter text. _____

Signature _____

Date _____ Click or tap to enter a date.