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პროექტი ზრდა საქართველოში
ZRDA ACTIVITY IN GEORGIA



REQUEST FOR APPLICATIONS (RFA)

No. 031-1012-001-S-2017

Issuance Date: December 20, 2017

Dear Applicant:

USAID Zrda Activity in Georgia, implemented by Chemonics International, is seeking sub-award applications for implementation of the **Model Guesthouse Activity**. The sub-awards will be awarded and implemented in accordance with USAID and US Government regulations governing sub-awards under corporate agreement and USAID Zrda Activity in Georgia's internal sub-award management policies.

Zrda Activity will hold a pre-application workshops as described below:

December 27, 2017 in Zugdidi, at 3, R. Lagidze Street (CHCA office)

December 28, 2017, in Akhaltsikhe at 21, Gvaramadze Street (Zrda office)
from 14:00 to 15:00.

This workshop will allow eligible and interested applicants the chance to ask questions about the RFA and receive guidance on how to complete the application form. Interested applicants that meet the eligibility requirements defined in Section IIIA below and would like to attend this workshop must confirm their attendance by sending the participant's name and the organization's name to Zrda Activity office, at subawards@zrda.ge no later than **December 26, 2017**. When confirming attendance, please note if the person has any special needs to access the workshop facilities. No reimbursement for costs of attendance will be met.

Please submit all questions concerning this solicitation via email to subawards@zrda.ge no later than **January 8, 2018, 18:00**. Zrda will post answers on the questions on Zrda facebook and web page till **January 15, 2018, 18:00**.

Zrda Activity and Chemonics employees may not ask for, and applicants are prohibited from offering, any money, fee, commission, credit, gift, gratuity, thing of value, or compensation to obtain or reward improper favorable treatment regarding this solicitation. Any improper request from a project employee should be reported to the chief of party or BusinessConduct@chemonics.com.

Annexes included with this Request for Applications:

- **Annex A** – Sub-award Application Form
- **Annex B** – Implementation Plan
- **Annex C** – Applicant Self-Assessment Form
- **Annex D** – Required Certifications
- **Annex E** – Applicant Contribution Form



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SECTION I. PROGRAM DESCRIPTION

IA. OBJECTIVE

USAID Zrda Activity in Georgia is awarding sub-awards to *guesthouse operators in Zrda target areas in Samtskhe-Javakheti and Samegrelo regions (see Annex E)* to develop two model guesthouses (one per target region) in Zrda target regions for replication by other guesthouses, including model infrastructure, arrangement of interior and exterior space, model service package(s), model soft skills (business, marketing, customer service, etc.). Please see the list of Zrda target municipalities for the purposes of this RFA below:

Jvari – Tsalenjikha Municipality;

Anaklia – Zugdidi Municipality;

Atskuri – Akhaltsikhe Municipality;

Nakalakevi – Aspindza Municipality;

Abastumani – Adigeni Municipality;

Dviri – Borjomi Municipality.

Applications received from the areas other than the list above will not be considered.

IB. BACKGROUND

USAID Zrda Activity in Georgia is a five-year project financed by USAID and implemented by Chemonics International. The goal of Zrda is to strengthen the skills, productivity, and networks of local actors – from vulnerable households to Micro, Small, and Medium Enterprises (MSMEs) – so that they can contribute to broad-based economic growth and strengthened resilience in target communities. Zrda will improve MSME development and growth, increase rural households' ability to generate income, and foster enduring market linkages between producers and buyers to strengthen the market system. As a result, Zrda will create jobs and increase sales for MSMEs and incomes for households, bolstering the resilience and livelihoods of targeted communities.

IC. DETAILED PROGRAM DESCRIPTION

Zrda will support development of model guesthouses in two Zrda target regions, Samtskhe-Javakheti and Samegrelo, that will serve as models for replication by other guesthouses, including model infrastructure, arrangement of interior and exterior space, model touristic service package(s), model soft skills (business, marketing, customer service, etc.). As its contribution Zrda will provide a maximum of two (2) sub-awards, one in each region, to finance infrastructure design costs (if required), and some portion of required equipment, interior, and/or exterior decorations. Zrda will provide technical assistance in the form of guesthouse management manuals, service package development and training in soft skills for the selected model guesthouses. Selected guesthouses will be required to cover all the costs related to the infrastructure construction and renovation works, as well as a portion of the costs for the required equipment.



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USAID Zrda Activity in Georgia recognizes that some sub-awardees may need technical assistance to more effectively carry out the activity. Consequently applicants are encouraged to specify their needs for technical assistance and/or training in their application.

ID. AUTHORITY/GOVERNING REGULATIONS

USAID Zrda Activity in Georgia sub-award awards are made under the authority of the U.S. Foreign Affairs Act and USAID's Advanced Directive System (ADS). Organizations will adhere to guidance provided under [ADS Chapter 303](#), "Grants and Cooperative Agreements to Non-Governmental Organizations" and will be within the terms of the USAID [Standard Provisions for Non-U.S. Non-Governmental Recipients](#), as well as the *USAID Zrda Activity in Georgia* sub-awards procedures.

ADS 303 references an additional regulatory document issued by the U.S. Government's Office of Management and Budget (OMB) and the U.S. Agency for International Development:

- 2 CFR 200 [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E](#) (U.S. applicants are subject to 2 CFR 200 in its entirety)

Full text of 2 CFR 200 can be found at http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl.

USAID Zrda Activity in Georgia is required to ensure that all organizations receiving USAID sub-award funds comply with the guidance found in the regulations referenced above, as applicable to the respective terms and conditions of their sub-awards.

Under the *USAID Zrda Activity in Georgia* sub-award program, USAID retains the right at all times to terminate, in whole or in part, *USAID Zrda Activity in Georgia* sub-award-making authorities.

SECTION II. AWARD INFORMATION

USAID Zrda Activity in Georgia anticipates awarding up to GEL 130,000 through two awards with each individual sub-award award in the range of GEL 20,000 – 65,000, but the final amount will be dependent upon sub-award activities and final negotiation and may be lower than the low end of the range, but not higher than the high end of the range. *The final budget and the type of sub-award will be determined individually with the selected applicants during the negotiation process.*

The duration of any sub-award under this solicitation is expected to be no more than six months. The estimated start date of sub-awards awarded under this solicitation is March 1, 2018.



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SECTION III. ELIGIBILITY

IIIA. ELIGIBLE RECIPIENTS

- Applicants must be a registered Georgian entity or taxpayer individual formally constituted, recognized by and in good standing with appropriate Georgian authorities, and compliant with all applicable civil and fiscal regulations.
- Applicants must have easily accessible location. Proximity to the main road is an advantage.
- Applicants must have existing guesthouse with infrastructure typical to the location and easily replicable if selected as a model guesthouse.
- Applicants must have successful experience in working in the sector, understanding of existing problems and trends, commitment to change
- Applicants must have ability and will to provide required a leveraged contribution to the activity. **The minimum cash leveraged contribution requirement is GEL 10,000** to cover expected construction, renovation, and/or equipment costs. A higher promised cash contribution will be an advantage.
- Applicants may only submit one application under this RFA.
- Applicants must display sound management in the form of financial, administrative, and technical policies and procedures and present a system of internal controls that safeguard assets; protect against fraud, waste, and abuse; and support the achievement of program goals and objectives. *Zrda Activity* will assess this capability prior to awarding a sub-award.
- Applicants must sign the following required certifications prior to receiving a sub-award. The certifications are attached to this solicitation (Annex *D*) and *Zrda Activity* will review them with applicants
- For any sub-award(s) resulting from this solicitation that is other than in-kind and equivalent to \$25,000 USD or more, sub-awardees will be required to provide a Data Universal Numbering System (DUNS) number at the time of award. If the applicant already has a DUNS number it should be included in their application. Otherwise, applicants will be expected to get a DUNS number before an award is made. *Zrda Activity* will assist successful applicants with this process. DUNS numbers can be obtained online at <http://fedgov.dnb.com/webform/pages/CCRSearch.jsp>
- Successful sub-awardee will follow a marking and branding plan of USAID *Zrda Activity* in Georgia, which will be annexed to the sub-award agreement.



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SECTION IV – APPLICATION AND SUBMISSION INFORMATION

IVA. INSTRUCTIONS TO APPLICANTS

Applicants must propose strategies for the implementation of the program description described above, introducing innovations that are appropriate to their organizational strengths.

IVA1. APPLICANT SELF-ASSESSMENT

All organizations selected for award are subject to a pre-award risk assessment conducted by *Zrda Activity*, to ascertain whether the organization has the minimum management capabilities required to handle US government funds. The applicant self-assessment is the first step in the pre-award risk assessment process. The Applicant Self-Assessment Form is contained in Annex C.

Applicants that submit sub-award full applications that meet or exceed the merit review criteria will be notified of next steps in the application process.

IVA2. SUB-AWARD APPLICATION

Applicants shall present their technical application in the formats provided in the attachment A and B and shall follow the instructions and guidelines listed in these annexes.

The application must be signed by an authorized agent of the Applicant.

IVA3 INELIGIBLE EXPENSES

USAID Zrda Activity in Georgia sub-award funds may not be utilized for the following:

- Construction or infrastructure activities of any kind. Construction also includes improvements, renovation, alteration, and refurbishment.
- Ceremonies, parties, celebrations, or “representation” expenses.
- Purchases of restricted goods, such as: restricted agricultural commodities, motor vehicles including motorcycles, pharmaceuticals, medical equipment, contraceptive products, used equipment; without the previous approval of *Zrda* or prohibited goods, prohibited goods under USAID regulations, including but not limited to the following: abortion equipment and services, luxury goods, etc.
- Alcoholic beverages.
- Purchases of goods or services restricted or prohibited under the prevailing USAID source/nationality (Burma (Myanmar), Cuba, Iran, North Korea, (North) Sudan and Syria).
- Any purchase or activity, which has already been made.
- Purchases or activities unnecessary to accomplish sub-award purposes as determined by the *Zrda* Project.
- Prior obligations of and/or, debts, fines, and penalties imposed on the Sub-awardee.
- Creation of endowments.



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IVB APPLICATION AND SUBMISSION INFORMATION

Applications shall be submitted in *English or in Georgian* and may not be more than 10 pages without attachments.

Applications should be submitted in electronic AND/OR hard copy to the Email address: Subawards@zrda.ge or USAID Zrda Activity in Georgia offices at the addresses below and should reference RFA No. **031-1012-001-S-2017**. Applications must be submitted no later than *6:00 pm* local time, on *January 20, 2018*. Late or unresponsive applications will not be considered.

- **Tbilisi, 9, 1st Dead-end N. Ramishvili street**
- **Zugdidi, at 3, R. Lagidze Street**
- **Akhaltshikhe at 21, Gvaramadze Street**

SECTION V. APPLICATION EVALUATION

VA1. MERIT REVIEW CRITERIA

Full applications will be evaluated against the merit review criteria in the table below:

Merit Review Category	Rating (Points)
Working experience in the sector	30
Location	20
Management Capacity	20
Sustainability/Financial Self-Reliance	30
Overall Rating (out of 100 points)	100

These merit review criteria elements are described more fully below.

A. *Working experience in the sector.* Must have at least 1-year operational experience and good record of services provided including number of customers. Evidences of positive customer reviews will be considered as an advantage **30 points**

B. *Location.* Must be easily accessible by visitors. Proximity to the main road that provides visibility will be considered as an advantage **20 points**



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C. Management Capacity. Evidence of the capability to undertake and accomplish the proposed activities and serve as a model for other geasthouses. The application should demonstrate the organization's effectiveness in terms of internal structure, technical capacity, and key personnel, in meeting economic development goals of the activity. In addition, the organization must demonstrate adequate financial management capability. The evaluation will be based principally on the background, qualifications, reputation, appropriateness and skills of its key personnel; and the "track record," reputation, and achievements (including development of self-sufficient, sustainable activities) of the organization. **20 points**

D. Sustainability/Financial Self-Reliance. Must be self-sustainable and have ability to provide required leveraging. **30 points**

Additionally, *USAID Zrda Activity in Georgia* will ensure environmental soundness and compliance in design and implementation as required by 22 CFR 216.

SECTION VI. AWARD AND ADMINISTRATION INFORMATION

All sub-awards will be negotiated, denominated and funded in *Georgian GEL*.

All costs funded by the sub-award must be allowable, allocable and reasonable.

Issuance of this RFA and assistance with application development do not constitute an award or commitment on the part of *Zrda*, nor does it commit *Zrda* to pay for costs incurred in the preparation and submission of an application. Further, *Zrda* reserves the right to accept or reject any or all applications received and reserves the right to ask further clarifications from the offerors. Applicants will be informed in writing of the decision made regarding their application.

LIST ANNEXES

- **Annex A** – Sub-award Application Form
- **Annex B** – Implementation Plan
- **Annex C** – Applicant Self-Assessment Form
- **Annex D** – Required Certifications
- **Annex E** – Applicant Contribution Form