



ANNUAL PROGRAM STATEMENT (APS)

BIG SMALL BUSINESS PROJECT

Name of the Project	Big Small Business project (Projekat velika mala privreda)
Annual Program Statement (APS) No.	TPI APS 2022-01
Date of Issue	October 27, 2022.
E-mail, Closing Date and Time for Receipt of Applications <i>(Late applications will not be considered.)</i>	Grants_Serbia@acdivoca-serbia.org April 27, 2023. 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 November 3, 2022. to March 31, 2023. 17:00 CET.

I BACKGROUND

Serbia has many competitive advantages that can generate economic growth, including proximity to high-value European markets, competitive prices for labor, energy, and raw materials, and an established industrial and manufacturing base. After the privatization in 2000 Serbian business sector is 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 catalyzing 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 strong prospects for accessing high-value markets like the EU. A systemic market facilitative approach to both sectors, that engages 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 Business 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 will empower Serbian market actors to lead localized initiatives that spur small and medium enterprise (SME) growth through integration in high-value markets. Working through a wide range of Serbian market actors at the local level, the Project will catalyze new behaviors, relationships, and the improved performance of SMEs and their support systems.

To achieve its goals, the Project will employ a 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 foster local entrepreneurial “ecosystems” of sector-specialized firms by supporting business support providers (BSPs), financial institutions, and other service providers to increase SMEs’ productivity and profitability. At the same time, the Project will work on improving SMEs’ marketing and exports through business services, strengthening supply chain relationships, sectoral (horizontal) cooperation, and enhancing the quality and traceability of their products. In addition, the Project will strive to diversify the financial products and services available to SMEs, improve SME utilization of financial services, and leverage the considerable public, private, and other resources available for investment. Finally, the Project will invest in inclusive outcomes by **expanding opportunities for female and youth**, and other marginalized groups through actors in workforce development, the private sector, and the education system.

Big Small Business 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-years 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 female 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)

**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 development of the regions 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

The Project will utilize the Transformational Partnership and Innovation (TPI) Fund expected to leverage locally available resources by issuing grants to non-governmental organizations, including associations and private sector firms located in Serbia, to address gaps in the Serbian market system with opportunities to engage system actors in efforts that support experimentation and learning. The TPI Fund will allow Big Small Business Project to pilot, adapt, and scale innovative approaches under the Project’s Collaborative Learning and Adapting (CLA) framework, adjusted to the evolving needs of SMEs. 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 objective of this APS is to solicit applications from eligible organizations, business service providers, financial service providers, associations, research and educational institutions, market system leaders, and other market actors, that present creative and innovative technical approaches and methodologies, for supporting the Project's objectives and results. Through the TPI Fund, selected partners will be engaged in a participatory design process with the Project to ensure that the intervention aligns with the overall objectives and that there are shared values among the partners.

IV. PRIORITY AREAS

During the period from October 2022 to April 2023, the Project will support activities in the following areas:

Improving SME Productivity and Profitability

- Build Capacity and Information Access of Regional Institutions to Support SMEs
- Build SME Networks and Support Entrepreneurship
- Promote and Link to Technology and Innovation Solutions

Illustrative activities include but are not limited to: Improving information dissemination and creating tools for communications regarding all available programs for SME development; Facilitating the access of SMEs to all relevant information; Expanding collaboration between supply chains actors (e.g. small producers from the regions and retailers); Developing sourcing mechanisms for enhancing supply chains in targeted regions; Facilitating SMEs efforts to invest in management, efficiency, innovation, improvement of product quality, and inclusive workforce development needed for business growth and sustainable integration into high-value supply chains; Technology education and exposure training/technology missions; Building capacities for research and development to create new, rebranded, and innovative products. Implementation of ITC solutions, embedded technologies, and other high-tech solutions in production processes. Proposals that promote digitalization and a green economy.

Expanding SME Markets and Exports

- Expand Market Access and Intelligence
- Link SMEs to Sales and Export Networks and Supply Chains
- Support and Expand Sector Cooperation and Synergies
- Improve SME Product, Environmental and Technology Standards

Illustrative activities include but are not limited to Market research and promotional efforts in export and domestic markets through organization or participation in trade shows, and B2B events for market discovery; Linkages to research, scientific or public organizations, and industry associations to secure better supply chain management practices, control of product quality and introduction of new products/varieties responsive to market opportunities. Expanding supplier linkages between lead companies and SMEs to improve production standards; Supporting certifications and improving market access for SMEs; Facilitating access to online sales channels/e-commerce for Serbian products. Other innovative proposals for facilitating access to markets.*

**Note: – If the certifications are proposed in the applications within the Machinery and Equipment sector, this will require a special approach that will be co-created with the Project team, in addition depending on applicants' interest, the Project may organize Questions & Answers (Q&A) Session(s) to address this topic in a more comprehensive manner and/or issue an Amendment to this APS should the circumstances warrant.*

Increase SME Utilization of Financial Instruments

- Build SME Awareness and Ability to Access Available Financial Tools and Resources
- Enhance the Utilization of loans covered with the Development Finance Corporation (DFC) guarantee available in partner banks

Illustrative activities include but are not limited to Facilitating access to finance and enhancing the utilization of financial products through training and mentoring, collaborative networks, and partnerships to prepare and submit applications and obtain funding approval in the chosen financial institutions (banks, leasing, State funds and financing programs, EU funds, donors, etc.). Facilitating and/or providing advisory services to potential investors in both targeted sectors.

Develop a Skilled and Diversified Workforce

- Scale Effective Workforce (WfD) Development Efforts
- Bridge Education System and Private Sector through Innovative Education and Workforce Development Models
- Co-create Innovative Education and Workforce Development efforts

Illustrative activities include but are not limited to Facilitating linkages to the education system for workforce capacity building; Facilitating linkages with SMEs to identify the needs for human capacity development in targeted sectors; Creating innovative workforce development models or proposing a scale-up of the existing successful models)

As an underlining principle, in developing the approach and application for the grant activity, applicants should review the extent to which the proposed grant activity and approach will address the stated problems/issues, further the Project's objectives described above, and produce verifiable results. Applicants should outline how their proposals plan to integrate other service providers, stakeholders, and firms in the activity i.e., how the collaborative networks or partnerships will be created and how they will ensure inclusiveness of **female**, youth, and marginalized groups. Applicants should also demonstrate their capacity to manage the grant and must show proof of their ability to leverage a minimum of 30% contribution.

V. SIZE OF GRANTS

Subject to the availability of funds, the Project intends to award multiple grants to fund eligible applications that advance the Project's objectives and generate results in support of those objectives. Awards resulting from this Annual Program Statement (APS) are expected to be in the ranges as defined below:

- \$10,000 to \$30,000 – for *Micro legal entities /entrepreneurs, enterprises, consultants, training and advisory service providers, business associations (including cooperatives), NGOs, and other market actors.
- \$30,000 to \$50,000 – for Small and medium legal entities/enterprises business service providers, business support organizations, research, academic, educational organizations, professional associations, NGOs, and other market actors.
- \$50,000 - \$100,000 – for Medium and large legal entities/enterprises, Industry associations, industry leads, and business support organizations.

** The definition of micro, small, medium, and large legal entities/enterprises and entrepreneurs is based on Article 6 of the Law on Accounting (Official Gazette of the Republic of Serbia No. 73/2019 and No. 44/2021).*

The expected implementation period of grant activities shall not exceed one year, and grants will be considered in line with the maximum budget allocated for the period October 2022-April 2023.

The USAID Big Small Business TPI Fund will not finance 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

**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 own 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 forms of 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/or facilities
- ✓ Procurement of machinery and equipment
- ✓ Procurement of Inputs
- ✓ Other capital expenses, e.g., vehicle
- ✓ ITC Apps

Under the TPI fund, applicants are generally required to provide a minimum 30% contribution as leverage, but the final award will be based on a profile of a partner and the activity's potential for large-scale market impact, investment, and inclusivity. The following negotiable leverage requirements are set for the purpose of this APS and evaluation of the applicant's contribution:

- Micro legal entities/entrepreneurs leverage contribution: 30% or less if the applicant demonstrates one of the following: the applicant is 1) a female/youth-led (owned or managed) legal entity, 2) if the proposed activity's beneficiaries are at least 50% female and 35% of youth (age 15-29), 3) if the proposed activity contributes to generating the investment in targeted SME sectors that is greater than \$500,000 USD; 4) if the proposed activity will be implemented entirely in less developed (devastated) areas/municipalities: and 4) if the applicant is a new innovative business.

For the purpose of this APS, 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.

- Small and medium legal entities leverage contribution: 30% - 50% The final leverage contribution may be negotiated based on the above-stated criteria, and the market impact of the proposed activity.
- Medium and large legal entities leverage contribution: minimum 50% with detailing their contributions to specific program outcomes.

VII. ELIGIBILITY REQUIREMENTS

This APS is open to legally registered entities in Serbia, and other countries (without additional approvals for the value up to \$25,000 entities from advanced developing countries may be considered on a case-by-case basis), which may include non-profit, for-profit, and non-governmental organizations (NGOs). Grants will be awarded to the following types of organizations: enterprises (including SMEs), financial institutions, producing and processing sector lead companies, business associations, business service providers, cooperatives, research and academic organizations, training, and consultants/advisory service providers, to carry out tasks to address the critical challenges identified under Section IV. "Priority areas." Eligible organizations must have the capacity to achieve the proposed grant activity, produce the desired results, and have satisfactory performance and integrity records and business ethics. The Project will employ a partnership development approach with potential grantees, to address specific problems and offer practical solutions, ensuring inclusiveness, encouraging leverage contributions, and analysis of the sustainability and scalability of the grant activities.

Eligible organizations must adhere to the following requirements:

- Be legally registered for a minimum of three years. If the newly founded, female, and/or youth-owned or managed organization is eligible for grant funding or a newly founded applicant proposes



an innovative approach (as defined in Section VI above) to support the achievement of the Project objective, it will be taken into consideration for funding on a case-by-case basis.

- Demonstrate ability, professional competencies, and qualifications to contribute to the objectives of the Project.
- Display sound financial, administrative, and technical management capacities to support the achievement of the award's objectives (i.e., have stable and sufficient sources of finance to maintain the activity throughout the grant period, and beyond).
- Maintain double-entry accounting (for private legal entities).
- Record net profit in Profit and Loss P&L accounts in the previous 2 years (for private legal 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).

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

If an entity or its key personnel appear on any of the following 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.

Ineligible organizations also include

- Political parties, groupings, or institutions or their subsidiaries and affiliates.
- Organizations that advocate, promote, or espouse anti-democratic policies or illegal activities.
- Faith-based organizations whose objectives are for discriminatory and religious purposes, and whose main objectives of the deliverables are of a religious nature.

Note: Organizations that have received substantial assistance from USAID and other donors but have not shown successful utilization of the grants are not encouraged to apply.

In line with USAID's New Partnership Initiative (NPI), the Project encourages applicants who have no previous experience with USAID projects, to participate in this funding opportunity.

VIII. APPLICATION SUBMISSION AND EVALUATION PROCESS

This solicitation will involve the following phases of the applications' submission and evaluation process.

Phase I Application Submission: During Phase I, applicants are required to submit their proposals using the Application Form included in Appendix A of this APS. The applications should provide general information about the applicant, eligibility confirmation and past performance record, information about the requested budget, and leverage contribution. The applications should clearly and concisely explain the proposed grant's purpose, relevance, and describe proposed activities, expected results, and discuss inclusiveness, scalability, and sustainability, in support of the Project objectives and priority areas stated in this APS (Sections II and IVII). In addition, applicants shall submit a copy of the organization's Articles of Incorporation or other documentation which substantiates the legal character/registration of the organization (copy of registration from the Business Registry). Applications shall be prepared in English language and the part of the application describing grant activity must not exceed 5 (five) pages. Applications submitted in different forms, a language other than required, and those exceeding the page limitation will not be considered.



The Project encourages applicants to submit their applications at any time prior to the closing date of this APS, to the TPI Fund Manager electronically, via email at Grants_Serbia@acdivoca-serbia.org with reference subject in the e-mail: **TPI APS-2022-01_name of the applicant**. Application submitted after this date and time will not be considered under this APS.

Initial Evaluation: The Project will convene a Grants Evaluation Committee (GEC) that will evaluate Applications submitted in response to this APS on a rolling basis. Applications will be evaluated based on the Evaluation Criteria included in Section VIII below.

Applications that obtain scores of 60 points and above in Phase I, will qualify for the Phase II of the TPI Fund grant award process. Notice of the result of the Initial Evaluation will be sent to unsuccessful or ineligible applicants no later than 30 days after the completion of the Initial Evaluation.

Phase II Due Diligence Process and Co-Creation: If an application proceeds to due diligence, the Project will conduct a range of activities to more deeply evaluate whether the proposed grant activity aligns with the Project objectives and selection criteria. The due diligence process may involve asking follow-up questions through email or phone, requesting supplementary materials that further outline the applicant's technical approach and its responsiveness to the Project's core principles and selection criteria, and contacting references (possibly including persons not provided in the application) and previous funders and partners or clients. During this phase, the Project and the applicant/prospective partner will jointly refine and design the activity to further determine the objectives, scope, roles, and responsibilities of the partners, activity timelines, detailed budget, milestones and deliverables, and monitoring and evaluation plan. This process may result in developing a revised/final application that will be submitted to CEC evaluation.

As a part of the partnership development, the Project will conduct a pre-award responsibility assessment and risk assessment, to determine the applicant's responsibility and the type of grant instrument, and the award terms and conditions. In making these determinations, the Project will take into consideration 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.

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

- Detailed Budget with cost justification and leverage details.
- Names of organization owners, and directors and a copy of their National Registration Card for Serbian citizens and passport for foreigners, if requested.
- Resumes for key proposed staff.
- Copy of the organization's organizational chart.
- Copy of the organization's personnel policies and procedures.
- Copies of financial reports for the previous 3-year period.
- For micro-entities and entrepreneurs, copies of bank statements and statements of solvency.
- Signed copies of the Certificate Regarding Terrorist Financing and other applicable certifications (attached as Appendix B 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:

- Filled in Questionnaires on business conduct
- 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 having violated 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 Business Project will fully respect the confidentiality of proprietary information and personnel data of all organizations involved in the program.

Co-Creation: During the due diligence process, the Project may engage in co-creation with the applicant and reserves the right to increase or decrease funding amounts, change the scope of an application, change the proposed activities, and may request a new or updated application. Regardless of the funding decision, the Project may introduce applicants to other potential partners or investors, or other funding sources that may contribute to the activity. The inclusion of additional partners will occur only when it makes technical sense and when there is an agreement to include additional partners between the applicant and the Project. The Project will notify the applicant of co-creation and set the timeline for the meeting and/or workshop.

Final Evaluation: Following the due diligence phase and its results, the refined/updated final grant applications will be reviewed by the GEC. Based on the evaluation criteria outlined in Section VIII below, the Committee will score applications and select the applications for funding. Only applications scoring more than 60 points will qualify for further negotiations and submission to USAID for approval. Once the approval is obtained, the Project will finalize the grant award agreement with the selected grantee/partner.

IX. EVALUATION AND SELECTION CRITERIA

The Project Grants Evaluation Committee (GEC) will review, evaluate, and select applications based on the following Evaluation Criteria:

Phase I – Initial Evaluation:

- **Key Issues Identification and Relevance to the Project’s Objectives (25 points):** Is the problem identified? Does the applicant demonstrate a clear understanding of the problems/key issues that the proposed grant activity will address? Are the proposed grant activity, goals, and objectives in line with the objectives of the Project? Do the proposed grant activity, goals and objectives contribute to the achievement of Activity goals and objectives as set forth in the APS? Does the organization have relevant experience in implementing similar activities?
- **Grant Activity Goals and Objectives (20 points):** Is the overall goal of the proposed grant activity clearly stated and achievable? Does the applicant list specific objectives that will contribute to achieving the grant activity’s goal? Are objectives attainable and related to the overall goal? Is it clear how achieving the grant activity’s overall goal and specific objectives will contribute to solving the key issues?
- **Activities/Outcomes/Expected Results (20 points):** Does the applicant propose specific activities that are logical, realistic, and relevant to the grant activity’s goal? Do the expected results of the proposed grant activities relate to the key issues and overall grant objective? Are anticipated results linked to a specific objective and impact to be created (e.g., number of beneficiaries, jobs created, sales generated, investments made)?
- **Sustainability and Scalability (15 points):** Does the applicant propose a practical commercially viable solution, or innovative business model, including the extent to which it will result in sustained development impact? Do the proposed activities have the potential to be expanded and scaled to impact a greater number of firms or customers; Are the proposed activities replicable and offer the potential for crowding-in to achieve economies of scale?
- **Inclusivity (10 points):** How the applicant proposes to integrate females, youth, and other marginalized groups within their proposal or overarching business model.
- **Budget and Leverage (10 points):** Percentage of partner’s leverage contribution to the total budget and the applicant’s ability to leverage other funds towards the proposed grant activity.

Phase II - Final Evaluation:

- 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 female, 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 proposed budget realistic, well-thought-out, and in line 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 own funds, and the applicant's ability to leverage other funds towards the activity to achieve change, and the transformation, or multiplier, which is achieved on that investment in the system.

Big Small Business Project implements an adaptive management and implementation approach. The APS selection criteria may change at some point as a result of lessons learned and changes in context. All changes will be made available through an amendment of the existing APS.

X 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 Business project, Including 2 CFR 200 Subparts E and F and the Standard Provisions for Non-U.S. Non-governmental Recipients.

XI. DISCLAIMERS AND ACCEPTANCE OF APPLICATIONS

This APS represents a definition of requirements and is an invitation for the submission of applications. The Project and ACDI/VOCA reserve the right to provide funding in response to any or none of the applications. No commitment is made, either expressed or implied, to compensate applicants for costs incurred in the preparation and submission of their applications.

The Project and ACDI/VOCA may reject any application that is incomplete. A complete application is one that complies with all terms and conditions of the APS. The applications must be complete, signed by an authorized signatory, and delivered no later than the submission 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.



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The Project and ACDI/VOCA reserve the right to issue an award based on the initial 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.

XI. APPENDICES

- A.** Application Form
- B.** Certifications, Assurances, and Other Statements of Subrecipients