



# INCLUSIVE ECONOMIC ENGAGEMENT ACTIVITY (IEEA)

## REQUEST FOR APPLICATION (RFA) 001-RFA-2024

<b>Issued by:</b>	Inclusive Economic Engagement Activity (IEEA) - funded by USAID and implemented by Community Development Fund (CDF).
<b>Issue date:</b>	May 31, 2024
<b>Submission Deadline:</b>	June 28, 2024, at 16:00 CET.
<b>Inquiries Deadline:</b>	June 14, 2024, at 16:00 CET.
<b>Topic:</b>	Invitation to Micro, Small, and Medium enterprises (MSMEs) owned by members of Serbian community in Kosovo.
<b>Purpose:</b>	This call for applications invites Micro, Small, and Medium Enterprises (MSMEs) owned by members of the Serbian community that present entrepreneurial solutions to help achieve our Activity goal of empowering and revitalizing MSME's affected by the Covid-19 pandemic.
<b>Funding:</b>	Awards will be up to USD 10,000.
<b>Information Sessions:</b>	<p>The Information sessions will be organized starting from June 10<sup>th</sup>, 2024, in the following Municipalities:</p> <ol style="list-style-type: none"><li>1. <b>Gračanica</b> – Municipality Building – June 10, 2024 (10:00 - 11:00)</li><li>2. <b>Ranilug</b> – Municipality Building – June 10, 2024 (13:00 - 14:00)</li><li>3. <b>Mitrovica North</b> – Office of NGO ACDC- June 11, 2024 (13:00 - 14:00)</li><li>4. <b>Štrpce</b> – Municipality Building – June 12, 2024 (11:00 - 12:00)</li></ol>
<b>Links:</b>	<p>Information about the Request for Application (RFA) 001-RFA-2024 will be published on the: CDF webpage at <a href="https://kcdf.org/">https://kcdf.org/</a> and CDF Facebook page at <a href="https://www.facebook.com/CommunityDevelopmentFund">https://www.facebook.com/CommunityDevelopmentFund</a></p> <p>A specific timetable for information session(s) will be published on: the CDF webpage at: <a href="https://kcdf.org/">https://kcdf.org/</a> and CDF Facebook page at: <a href="https://www.facebook.com/CommunityDevelopmentFund">https://www.facebook.com/CommunityDevelopmentFund</a></p>



Dear Applicants,

Community Development Fund (CDF), the implementing partner of USAID for “Inclusive Economic Engagement Activity”, is seeking applications from qualified, Micro, Small, and medium enterprises (MSMEs) owned by members of Serbian community.

This RFA solicits grant applications to support and provide quick and urgent assistance to MSMEs owned by Serbian community members in Kosovo that were disproportionately affected by the negative economic impact of Covid-19, and to help them become more resilient to withstand future economic shocks. The grants will be awarded and implemented in accordance with U.S. government regulations governing grants under contracts and the Project’s internal Grants Management Manual.

Pursuant to 2 CFR 200 Subpart E and 2 CFR 700.13, it is USAID policy not to award profit under assistance instruments. However, all reasonable, allocable and allowable expenses, direct and which 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 Award.

All awards to Non-U.S. Organizations will be administered in accordance with applicable regulations as follows:

- ADS303, ADS 310 Mandatory Standard Provisions for Grants
- 22 CFR 226, 22 CFR 228
- Applicable OMB Circulars A-110, A-122, A-133
- Standard Provisions for Non-U.S., Nongovernmental Organizations
- 2 CFR Part 200 FAR 31.2 (for-profit organizations)

The size of any single grant awarded under this RFA will be up to **\$10,000.00.**

Inclusive Economic Engagement Activity reserves the right to fund any or none of the applications submitted. Additionally, all awards pursuant to this funding opportunity are contingent upon the availability of funds and the receipt of a sufficient number of meritorious applications.

For the purposes of this activity, this RFA is being issued and consists of this cover letter and the following sections:

1. **Section 1** – Funding Opportunity Description
2. **Section 2** – Award Information
3. **Section 3** – Eligibility Information
4. **Section 4** – Application and Submission Information
5. **Section 5** – Application Review Information
6. **Section 6** – Award and Administration Information
7. **Section 7** – Annexes



## SECTION I : FUNDING OPPORTUNITY DESCRIPTION

### **Background:**

CDF is a non-governmental organization with a focus on community development and creating opportunities for integration, equal access, and inclusion through innovative solutions and expertise. As part of its mission, CDF is implementing the USAID-funded Kosovo Inclusive Economic Engagement (IEE) Activity, a five-year project aimed at supporting women- and minority-owned Micro, Small, and Medium Enterprises (MSMEs) impacted negatively by the Covid-19 pandemic and help them become more resilient and to withstand future shocks or stresses.

The purpose of this RFA is to solicit applications to support the Activity in the achievement of its program objectives, specifically, empowering and reviving Serbian community owned Micro, Small, and Medium Enterprises (MSMEs).

### **Program Description:**

The USAID Inclusive Economic Engagement Activity aims to support women- and minority-owned micro, small, and medium enterprises across Kosovo.

Through this Request for Applications (RFA), the activity focuses on supporting micro, small, and medium enterprises owned by members of the Serbian community. This support entails enhancing these businesses' service or production capacities, facilitating connections with local and regional markets, and offering grants to facilitate their growth.

Applications submitted under this solicitation are required to demonstrate how their funding requests and proposed activities contribute to at least one of the below mentioned outcome indicators. While applications are evaluated from multiple angles, applications that clearly demonstrate an impact in at least one but preferably more outcome indicators listed below will have a greater chance of receiving funding:

- Improve quality of products and/or services
- Improve efficiency due to new equipment
- Increase net value of sales;
- Increase of number of jobs, including for women and minorities;
- Increase digitalization of companies.
- Improve access to market

Through this funding call, the IEE Activity welcomes applications that clearly advance the resilience of MSMEs owned by members of Serbian. Funding priority has not been predetermined for any specific sectors. Instead, the call will focus on addressing the unique needs of the targeted businesses.



## SECTION 2: AWARD INFORMATION

Subject to the availability of funds, the Inclusive Economic Engagement Activity intends to fund grants to enhance MSMEs owned by members of Serbian community in response to this RFA. Allowable costs must be consistent with USAID and CDF policies and procedures and be reasonable, allowable, allocable, and well documented and justified for the proposed project and budget.

The cost sharing is encouraged but not mandatory and will not provide any advantage during the evaluation process.

Under this RFA grants will be awarded to the following types of businesses:

- **Micro, small, and medium enterprises (MSMEs<sup>1</sup>) owned by members of Serbian Community in Kosovo.**

All Grant applications received will be reviewed by the Grants Selection Committee of the Inclusive Economic Engagement Activity according to the evaluation criteria outlined in this RFA.

The applications receiving the highest scores, up to the point that available funds are expended, will move to the pre-award/negotiation phase of the grant award process.

**Note:** The inclusion of detailed costs will help to expedite the negotiation phase. Once an application has been successfully negotiated and approved by USAID, it will be funded upon availability of resources.

## SECTION 3: ELIGIBILITY INFORMATION

All awards issued under the IEE Activity funds will be subject to the eligibility requirements set forth below.

Eligible applicants must be:

- MSMEs owned by members of the Serbian Community that are legally registered in Kosovo and have been in operation for at least one year. **(A copy of the business registration certificate should be submitted as proof)**

**Eligible applicants must also:**

- Demonstrate an ability to contribute to the objectives of the IEE Activity and perform the award in accordance with USAID and CDF policies and practices.
- Display sound financial, administrative, and technical management in the form of a system of controls that safeguards assets and protects against fraud and waste.
- Support the achievement of the awards objectives.
- Have a satisfactory performance record and record of business integrity and ethicality.

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<sup>1</sup> According to Law No.03/L-031, a Micro Enterprise is considered any enterprises having 1 to 9 employees, a Small Enterprise is considered any enterprises having 10 to 49 employees Medium Enterprise is considered any enterprises having 50 to 249 employees.



### Ineligible applicants include:

- Political parties or institutions.
- MSMEs that advocate, promote, or espouse anti-democratic policies or illegal activities.
- MSMEs that intend to use funding for religious objectives.
- Entities that have misused USAID funds in the past.
- MSMEs with key individuals that appear on any of the following:
  - The System for Award Management (SAM), the Office of Foreign Assets Control (OFAC) list of Specially Designated Nationals and Blocked Persons (<https://sanctionssearch.ofac.treas.gov/>) or U.N. 1267 list
- Any entity affiliated with Community Development Fund (CDF/ Inclusive Economic Engagement Activity), its officers, directors, or employees; and
- Public International Organizations.

## SECTION 4: APPLICATION AND SUBMISSION INFORMATION

Applications can be submitted in two languages (English and Serbian). Applicants should submit written Full Grant Applications to IEEA's Grants Department electronically, via email to [grants@kcdf.org](mailto:grants@kcdf.org) or in hard copy at the CDF/IEEA premises in the following address: **str. Ahmet Krasniqi, Arberi B-A | IF, Prishtina, Kosovo.**

All applications in response to this RFA must be submitted in the Full Grant Application Format included in **Annex I** of this RFA. The Full Grant Application Format requires applicants to expand in detail on the proposed grant activity, objectives and expected results, including a description of target beneficiaries and stakeholders, and a detailed grant budget.

All correspondence submitted via email and/or in hard copy must include the following subject details: **Inclusive Economic Engagement Activity 001-RFA -2024.**

Applicants should submit any questions concerning this RFA in writing to IEE Activity electronically, via email at [grants@kcdf.org](mailto:grants@kcdf.org).

The deadline for receipt of requests for clarifications / explanations is **June 14, 2024.**

No questions will be accepted after this date.

In addition, four RFA information sessions with potential applicants will be organized in the following municipalities:

1. **Gračanica** – Municipality Building – June 10, 2024 (10:00-11:00)
2. **Ranilug** – Municipality Building - June 10, 2024 (13:00-14:00)
3. **Mitrovica North** – Office of NGO ACDC- June 11, 2024 (13:00 – 14:00)
4. **Štrpce** - Municipality Building – June 12, 2024 (11:00 – 12:00)



The Closing Date for Submission of Applications is **June 28,2024** and the Closing Time for Submission of Applications is **16:00 hours** local Kosovo Time.

Submissions received after the Closing Date and Time will not be considered in the review process.

According to the Mandatory Standard Provisions for Non-U.S., Nongovernmental Recipients, administrative regulations on Cost Principles for Non-Profit Organizations (OMB Circular A-122), and Cost Principles for Commercial/For-Profit Organizations (Federal Acquisition Regulations – 48 CFR 31.2), taxes, including value added taxes, are not allowable costs where an exemption or refund of such taxes mechanism exists. Please do not budget Value Added Tax (VAT) cost in the project budget breakdown.

Issuance of this RFA does not constitute an award commitment on the part of the Project, nor does it commit the Project to pay for costs incurred in the preparation and submission of an application. Further, the Project reserves the right to reject any or all applications received if such action is considered to be in the best interest of the U.S. Government. Applications are submitted at the risk of the Applicant; should circumstances prevent making an award, all preparation and submission costs are at the Applicant's expense.

## SECTION 5:APPLICATION REVIEW INFORMATION

A Grant Selection Committee will formally evaluate and rank all proposals independently and uniformly in writing, using a Full Grant Application Evaluation Form.

Applications will be evaluated in accordance with the criteria set forth below.

Applications will be evaluated by the Grants Selection Committee on the basis of 100 possible points.

The weighting of various factors is listed below:

○ Business viability .....	25
○ Innovation and uniqueness.....	20
○ Social and environmental impact.....	15
○ Management team and capabilities.....	15
○ Financial sustainability.....	15
○ Potential for growth and scalability.....	10
<b>Total Points .....</b>	<b>100</b>

### Description of weighting factors:

- **Business viability:** Ensure that the business has a clear and feasible plan to achieve its goals, generate revenue, and remain financially sustainable.
- **Innovation and uniqueness:** Encourage businesses to offer unique products, services or processes that differentiate them from competitors and add value to their customers.
- **Social and environmental impact:** Promote businesses that have a positive impact on the environment or society, such as reducing carbon emissions, promoting sustainability, or creating employment opportunities for underrepresented groups
- **Management team and capabilities:** Evaluate the experience, skills, and capacity of the management team, with a focus on women and minority ethnicities-led businesses, to successfully execute the proposed project and grow the business.



- **Financial sustainability:** Assess the financial health of the business, with a focus on women and minority ethnicities-led businesses, and its ability to maintain operations in the long-term.
- **Potential for growth and scalability:** Consider the potential of the target business, to expand its operations, reach new markets, and achieve greater profitability over time.

The selection of the Applicant for award will be made by the Activity's Grant Selection Committee. The award of any resultant grant agreement, is subject of USAID approval.

## SECTION 6: AWARD AND ADMINISTRATION INFORMATION

Upon the review of applications by the Grants Selection Committee, successful applicants will receive an email from the Grants Office to schedule/inform the applicants about the next steps in negotiation process:

1. Pre-Approval Field visit.
2. Technical/activity negotiations, including cost analysis of the budget.
3. Simplified Environmental Review Form (SERF).

Unsuccessful applicants will be notified in writing within one week following Grants Selection Committee meeting.

Any resultant award will be subject to the terms and conditions of the Cooperative Agreement for the USAID Inclusive Economic Engagement Activity, Standard Provisions for Non-U.S. Non-governmental Recipients.

## SECTION 7: ANNEXES

Annex 1: Full Grant Application