



# Annual Program Statement (APS)

## USAID Industry-led Skills Development Program

### Annual Program Statement (APS) No. 008-C2B-002-2022

## Establishing Private Sector-led Long-term Skills Training Programs

|                                    |   |
|------------------------------------|---|
| Announcement Type:                 | Annual Program Statement (APS)  |
| Funding Opportunity Number:        | 008-C2B-002-2022  |
| Funding Opportunity Title:         | Establishing Private Sector-led Long-term Skills Training Programs  |
| Issuance Date:                     | October 20, 2022  |
| Concept Paper Submission Due Date: | April 20, 2023 (Concept papers can be submitted any time before the deadline and will be reviewed by the Grant Evaluation Committee on a rolling basis) |

Dear Applicant:

The United States Agency for International Development (USAID) Industry-led Skills Development Program (the Program) is seeking concept papers from eligible Georgian organizations to implement a multi-faceted program to address deficiencies in the long-term skills training program landscape in Georgia. You are invited to submit a concept paper to the Program's Establishing Private Sector-led Long-term Skills Training Programs initiative in accordance with the terms of references contained herein. The objective of this component is to establish or significantly improve long-term training programs (6+ months per training cycle) and expand high-level skills development across Georgia (using levels III-V as defined by the National Qualifications Framework). Applicants should demonstrate how they will ensure sustainability beyond the grant period and must show organizational commitment and capacity to implement large grants. The concept paper is a pre-cursor to the full grant application. Selected applicants will be invited to submit full grant applications.

Details on the Program and concept paper process can be found in this APS package. To make information on grants accessible to all interested stakeholders across Georgia, the Program plans to hold pre-application workshops and information sessions on November 14-15, 2022.

This workshop will give eligible and interested applicants the chance to ask questions about the APS process and receive guidance on how to submit a concept paper. Interested applicants that meet the eligibility requirements as defined in Section E "Eligibility" below and would like to attend the workshop



must confirm their attendance by sending the participant's name and the organization's name via e-mail to [skillsgrants@iesc.org](mailto:skillsgrants@iesc.org) **no later than five (5) working days prior to the desired workshop.**

Only *one person* may attend from each organization. Detailed information on the exact time and streaming services of the pre-submission workshops and information sessions will be sent to registrants via e-mail.

Applicants can also send questions about the concept paper process to [skillsgrants@iesc.org](mailto:skillsgrants@iesc.org) until **February 28, 2023**. All answers to questions asked at the pre-application workshop and/or through the e-mail will be time by time posted to the Program's Facebook and web page.

- Program's Facebook Page - <https://www.facebook.com/USAIDSkillsProgram>
- Program's Web Page - <https://iesc.org/program/usaid-industry-led-skills-development/>

Concept papers should be submitted in electronic format to [skillsgrants@iesc.org](mailto:skillsgrants@iesc.org). All concept papers should reference APS No. 008-C2B-002-2022 and must be submitted in English. Concept papers are due no later than **April 20, 2023**, 18:00 Georgia Standard Time (UTC/GMT +4). Late or unresponsive submissions will not be considered. Key dates are as follow:

| Activity  | Due Date  |
|---|---|
| Registration for Pre-Submission Workshops and Info Sessions                       | No later than five (5) working days prior to the desired workshop |
| Pre-Submission Workshops and Info Sessions  | November 14-15, 2022  |
| Questions Due to <a href="mailto:skillsgrants@iesc.org">skillsgrants@iesc.org</a> | February 28, 2023   |
| Submission of Concept Papers  | Due no later than April 20, 2023                                  |
| Estimated Submission of Full Application, if selected                             | 2-3 months after concept paper submission                         |
| Estimated Start Date of the Grant   | 3-4 months after concept paper submission, 2023                   |

The grants will be awarded and implemented in accordance with USAID and United States (U.S.) Government regulations governing grants and grants under contract (GUCs), as deemed applicable by USAID, Prime USAID Contractor IESC, and the Program's grant management policies.

The Program and IESC employees may not ask for, and applicants are prohibited from offering, any money, fee, commission, credit, gift, gratuity, a thing of value, or compensation to obtain or reward improper favorable treatment regarding this solicitation. Any improper request from an IESC or Program employee should be reported to the Program's Chief of Party or [ethics@iesc.org](mailto:ethics@iesc.org).

APS Annexes include:

- Annex I – Concept Paper Template



## SECTION I. INDUSTRY-LED SKILLS DEVELOPMENT PROGRAM GRANT ACTIVITIES

### A. INDUSTRY-LED SKILLS DEVELOPMENT PROGRAM BACKGROUND

The Program is headquartered in Tbilisi with Program activities operating throughout Georgia. To ensure national coverage, the Program engages with networks of employers, business associations, education and training providers (both public and private), local and national government representatives, and development partners. Through this collaboration, the Program effectively engages the private sector, undertakes outreach and marketing, delivers tailored and demand-driven grants, hosts community engagement events, and creates a network of employer-led skills development initiatives and partnerships across Georgia.

The purpose of the Program is to develop industry-relevant human capital that will contribute to high-value employment opportunities and increased economic competitiveness in Georgia. The Program will achieve this by systematically engaging employers to equip Georgians with skills demanded in sectors with high growth potential and create direct linkages between training programs and high-value employment opportunities. The Program gives a leading role to the private sector to catalyze demand-driven skills development throughout Georgia.

The Program has three components. Under **Component 1**, the Program pilots initiatives that incentivize employers, sectoral associations/councils, industry groups, and other private sector bodies to participate in innovative practices/models independently or in cooperation with skills training providers, strengthening linkages between skills training and high-value employment opportunities. Innovative practices/models may also include already-existing practices/models that are new to the grantee, economic sector, or geographical location. Under **Component 2**, the Program scales and establishes private sector-demanded training programs demonstrated independently or through partnership and support of skills training providers. **Component 2** includes two sub-components: **2a** - Establish short-term skills training programs demanded by the private sector and **2b** - Establish long-term skills training programs demanded by the private sector. Under **Component 3**, the Program aims to increase the employability and incomes of un- and under-employed populations in the regions and increase employers' productivity by expanding access to existing, high-quality skills training programs to rural and priority populations in ways that contribute to high-value employment opportunities.

This APS is for grant activities under **Component 2b**.

The Georgian private sector's skill needs are dynamic and diverse, especially considering a continuously evolving post-COVID-19 economic recovery. The Program does not prescribe sectors or regions for grants or activities beyond excluding those that are prohibited by U.S. law and regulations. By keeping the regions and sectors flexible, the Program is able to respond rapidly to emerging opportunities for growth.

### B. COMPONENT 2B GRANTS DESCRIPTION

#### B.1 Objective

The objective of this APS is to solicit concept papers for grant activities to establish or significantly improve high-quality long-term skills training programs (more than 6 months per training cycle). Activities created under Component 2b should target high-level skills development programs that



correspond to levels III-V of the National Qualifications Framework. Additionally, skills training programs supported by Component 2b grants should demonstrate sustainability and commitment beyond the grant period, and strong grantee capacity given that Component 2b grants will be the largest issued by the Program. Component 2b activities can occur in any region of Georgia. Skills training programs supported by Component 2b can, where relevant, be integrated with initiatives developed under Component 1 to strengthen linkages between skills training programs, private sector entities, and high-value employment opportunities.

Proposed grant activities under Component 2b should target the unemployed population by increasing their skillsets to attain high-value employment, and/or focus on assisting employed individuals to acquire high-level skills that improve both their income and value as an employee. The Program will ensure that the interests of any trainees are protected, and that each long-term skills training program provides value to its participants in their long-term career trajectories.

## **B.2 Scope of Component 2b Grant Activities**

Under Component 2b, applicants must establish new long-term training programs (more than 6 months per training cycle) or significantly improve existing ones through leveraging sustainable private sector engagement models. This includes long-term formal and non-formal training programs that immediately address the skills mismatches posing current constraints to the growth of high potential sectors of the Georgian economy. High priority will be given to developing sustainable revenue flows beyond the grant period. This may stem from a variety of sources, including but not limited to, the applicant's own financial resources, loans, alumni contributions, government funding, or vouchers to pay for training, as well as projected demand that will allow student tuition and fees to cover program costs.

Skills training models offered by the applicant can take place in any sector or geographic region within Georgia. Concept papers may also include the development and/or improvement of short-term skills training programs. However, short-term training programs must be accompanied by at least one long-term program for development and/or improvement as part of the concept paper package. Additionally, applicants must demonstrate strong organizational capacity to sustain the program beyond the grant period of performance. Skills training programs funded under Component 2b can be developed by the private sector independently or in partnership with training providers and can utilize government support, public-private partnerships, or donor-funded initiatives. Formal skills training programs should result in a certificate recognizing achievement in vocational qualifications levels III-V according to the National Qualifications Framework and/or an internationally recognized certification scheme.

**Note: Preference will be given to those applications, where authorized formal long-term programs are presented.**

Internationally recognized certifications include those that are valid in at least two different countries. Non-formal training programs developed under the Component 2b grants scheme should still provide graduates with the competences and skills comparable to National Qualifications Framework levels III-V and/or international standards.

Applicants for Component 2b can propose development/improvement of existing long-term skills training programs and replication of the same program in urban or rural areas in one concept paper. Developing more than one training program under one concept paper is encouraged to create economies of scale.





All costs funded by the grant must be allowable, allocable, and reasonable. Further details about cost allowability are included below in Section E.4 “Ineligible Activities and Unallowable Costs.” Resources a grant recipient contributes to the total cost of a grant activity may be financial or in-kind. The total value of the applicant’s contribution to this activity must be minimum **50%** of the total life-of-project budget for the concept. Of the Program’s contribution, which will not exceed **US \$1,500,000**, the applicant’s cash contribution must equal or exceed **20%** of the amount funded by the Program. Therefore, the Program requires budgetary data for both life-of-project budget estimates, AND estimates on the required Program contribution. Further information on the allowability of applicant contributions is included below in Section E.3 “Matching Contribution Eligibility.”

In-kind contributions may include goods, services, works, studies, equipment, materials, land, and leased property provided by the applicant. The value of in-kind contributions should be estimated during the selection process based on the expected value of the goods, works or services provided, assessed for reasonableness, and related explicitly to the Program. The recorded value for any in-kind contribution will be the fair market value.

#### **B.4. Gender and Social Inclusion**

The limited opportunities for women to participate in economic activities are a major development challenge for Georgia. Applicants must consider how their proposed grant activity addresses constraints to women’s participation in high-value economic activities, especially regarding gender stereotyping for certain occupations, and ensures equitable participation of women. Applicants must also consider how their proposed grant activity ensures inclusiveness for ethnic minorities and students with disabilities and propose methods to ensure these groups are informed about the possibilities and advantages of skills development programs and provide equitable access supporting them to overcome language, financial, social, or other types of constraints.

Applicants should consider all the potential costs related to gender and social inclusion in the grant budget.

#### **B.5. Environmental, Health, and Safety Compliance**

The applicant must consider the impact of their proposed grant activity on the environment and include environmental sustainability as a central consideration when designing and implementing the grant activity. In accordance with U.S. Government Federal Regulations (Title 22 of the Code of Federal Regulations Part 216) and USAID’s Automated Directives System (Parts 201.5.10g and 204), the applicant must identify the potential environmental impacts of the proposed grant activity. The Program will review these prior to a final decision to proceed and the applicant will adopt appropriate environmental safeguards as necessary. In addition, if funded, the applicant must conduct the grant activity in a manner which safeguards the rights, health, and welfare of all individuals who take part in the grant activity.

Prior to initiating a grant activity that has the potential to result in significant adverse environmental, health, and/or safety impacts, the Program will work with the applicant to prepare an Environmental Review Checklist (ERC) and an Environmental Mitigation and Monitoring Plan (EMMP) and submit these to USAID for approval prior to implementation of this grant activity. After the grant activity is completed, the applicant and the Program must sign a Record of Compliance with the ERC/EMMP certifying that the applicant met all applicable ERC/EMMP conditions and submit it to USAID for approval.



Applicants should consider all the potential costs related to environmental, health, and safety impact mitigation in the estimated activity cost.

## C. INSTRUCTIONS TO APPLICANTS

### C.1. Annex I – Concept Paper Template

Applicants must present their proposals using the Concept Paper Template (Annex I). The template includes instructions on how to complete the document. Concept papers that are selected via the merit review process described below in Section D “Merit Review Evaluation” will be invited to complete a full grant application. Instructions on completion of the full application will be sent to selected applicants. **It is not necessary at the concept paper stage for the applicant to present a detailed budget. A lump-sum “total estimated amount” will suffice.** However, it is important that the applicant clearly indicates where specific grant activity funds originate (i.e., from USAID via the Program, co-funding by another source, and/or the applicant’s own contribution). Co-funding from other programs can be included as a contribution if it comes from a non-U.S. government source. Furthermore, any contributions by the applicant must not be included in any other U.S. government-assisted grant program. The Program will require full disclosure by all involved parties and will maintain contact with co-funders to verify their contributions.

The applicant must be able to provide backup/justification for costs to the Program if requested.

All grant activity costs must be within the normal operating practices of the applicant and in accordance with its written policies and procedures.

### C.2. Additional Concept Paper Instructions

The concept paper must be signed by an authorized agent of the applicant.

Concept papers must be submitted in English. Answers to questions six through thirteen of Annex I - Concept Paper Template must not exceed **three** pages. The remaining questions are not counted towards the page limit.

Concept papers should be submitted in electronic format to [skillsgrants@iesc.org](mailto:skillsgrants@iesc.org). Concept papers must be submitted no later than **April 20, 2023**, 18:00 local time. Concept papers received after the closing date and time will not be considered.

## D. MERIT REVIEW EVALUATION

Concept papers will be reviewed and evaluated by a Grant Evaluation Committee for completeness in the following two-step evaluation process:

- **Step I:** Initial review of the submitted concept papers by the Program Grant Evaluation Committee to evaluate the eligibility and conduct the merit review criteria in correspondence with the criteria set out below.
- **Step II:** If the concept paper meets the Program’s minimum requirements, applicants will be invited to submit a more detailed grant application at the second stage.

All concept papers will be reviewed by a Grant Evaluation Committee on a rolling basis based on the merit review criteria outlined in the section below. While some concept papers will be rejected outright



due to lack of eligibility, some applicants presenting innovative ideas, but lacking sufficient information on their methodology or concept may be asked to provide additional information. In some cases, the applicant might be invited to make a presentation to the Program team to answer potential questions and clarify goals.

|    | Merit Review Criteria  | Deficient | Marginal | Good | Very Good | Outstanding |
|----|--|-----------|----------|------|-----------|-------------|
| 1. | Feasibility and scale of the proposed approach and linkage to grant objectives   |           |          |      |           |             |
| 2. | Impact on target groups and Program priority population  |           |          |      |           |             |
| 3. | Sustainability/Financial Self-Reliance   |           |          |      |           |             |
| 4. | Past performance and organizational capacity   |           |          |      |           |             |
| 5. | Engagement of international partners (criteria will only be a requirement for concept papers with the requested grants amount of USD \$500,000 or more.) |           |          |      |           |             |

These merit review criteria elements are described more fully below.

1. *Feasibility and scale of the proposed approach.* The quality and feasibility of the concept paper in terms of the appropriateness of the proposed methodology to achieve grant objectives, innovativeness of the concept, clarity of justification of the labor market need, and ability to meet the need for a skilled workforce through the proposed approach. Additionally, the Program will consider sectoral impact/need of the activity, relevance of proposed practices/models to skills development and job placement, and the potential of employers' long-term engagement.
2. *Impact on target groups and Program priority population.* The extent to which the proposed activity corresponds to demonstrated current and future skills needs of employers, responds to the skills needs of students/trainees, and will directly contribute to improved employment and sector competitiveness. Considers how the proposed methodology of program delivery ensures increased access and inclusion of the Program priority population.
3. *Sustainability/Financial Self-Reliance.* The extent to which the funded activity will result in building and strengthening the capacity of grantee(s) and target groups and whether the activity itself is sustainable or will become sustainable by completion of the given grant project or as a result of upscaling. Solid evidence of sustainability must be presented.
4. *Past performance and organizational capacity.* Previous or ongoing experience implementing similar scale and/or related experience and positioning in the sector. Evidence of the capability to undertake and accomplish the proposed activities.
5. *Engagement of international partners.* Demonstration of partnership with foreign and/or international training providers, NGOs and companies/corporations to ensure commitment and replication. (International partnership is a requirement for concept papers with the requested grants amount of USD \$500,000 or more. For concept papers requesting grant amounts less



than USD \$500,000, engagement of international partners will be considered as an advantage, but not as a requirement.)

The merit review criteria above will be used by the Program to review and evaluate concepts that meet the minimum requirements. The Program will assign each criterion a rating using the following scale:

- Outstanding
- Very Good
- Good
- Marginal
- Deficient

Only applicants who receive an overall rating of 'Good' or higher will be invited to submit the full application. While merit review criteria are paramount, cost considerations may also be a factor for award. The Program is not obligated to make an award on the basis of lowest proposed cost or to the applicant with the highest merit review rating.

## **E. ELIGIBILITY**

### **E.1. Recipients**

Applicants must be registered in Georgia, formally constituted, recognized by and in good standing with appropriate Georgian authorities, and compliant with all applicable civil and fiscal regulations. Eligible grant recipients include private companies, business associations, public or private Technical and Vocational Education and Training colleges and universities, professional associations, and non-governmental organizations (NGOs) registered in Georgia and their partnerships. The Program will not provide grants to partner government entities, except to public colleges and public universities. The following eligibility criteria also apply to all applicants:

- Applicant organizations must be founded no less than one (1) year prior to the day of the concept paper submission.
- Applicants may only submit one concept paper under this APS, where the applicant is the leading organization; however, the applicant may be represented on other concept papers as a partnered service provider.
- All applicants must have established linkages to the beneficiary group(s) identified in the scope of work, which is reflected by the incorporation of local views in the proposal.
- For activities with a total requested value grant amount of USD \$500,000 or more, a partnership with a foreign and/or international training providers, NGOs and companies/corporations is required.
- Faith-based and community groups will receive equal opportunity for funding in accordance with the mandated guidelines laid out in this APS, except for faith-based organizations whose objectives are for discriminatory and religious purposes, and whose main objective of the grant is of a religious nature.
- Applicants must be able to demonstrate strong capacity and interest for sustainable engagement or successful past performance in implementation of integrated development programs related to the Program's goals and objectives as described in this APS.
- 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 the Program's goals and objectives. The Program will assess this capability prior to awarding a grant.



- Applicants must sign the following required certifications prior to receiving a grant. The Program will provide the certifications once a full application is selected for a grant and review them with applicants.
  - Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals
  - Certification Regarding Terrorist Financing
  - Recipient Certification of Compliance
  - Survey on Ensuring Equal Opportunity for Applicants (Completion of survey is voluntary)
- For any grant agreements awarded under Component 2b, applicants will be required to obtain a Unique Entity Identifier (UEI) on SAM.gov before award. If the applicant already has a Unique Entity Identifier (UEI), it should be included in their concept paper. Otherwise, applicants will be expected to obtain a UEI before an award is made. Please see more information on obtaining a UEI at [Unique Entity Identifier Update | GSA](#)
- Eligible organizations must not appear on the following exclusionary and security lists:
  - The Excluded Parties List at <https://sam.gov/content/home>
  - The U.S. Treasury “Specially Designated Nationals and Blocked Persons” at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>
  - The United Nations Security Designation List at <https://www.un.org/securitycouncil/content/un-sc-consolidated-list>
- Successful applicants will follow the Branding Strategy & Marking Plan of the Program, which will be annexed to the grant agreement.
- All concept papers must ensure environmental soundness and compliance in design and implementation as required by 22 CFR 216.

## E.2. Eligible Activities

Grant activities funded by stage two of the Component 2b process will meet the following general criteria:

- Grants supported by the Program must promote the activity objectives set forth in this APS. The proposed activities may be the sole or primary work of an organization, or a special dimension or function of an organization largely dedicated to other projects.
- Applicants should demonstrate sustainable engagement of the private sector in skills development, propose effective approaches to ensure affordability and equitable access to the industry-demanded skills training and employment opportunities, incorporate outreach activities to share the results for further promotion of private sector engagement in skills development and vocational education in general.
- Eligible grant expenditures include, but are not limited to:
  - Improving teaching infrastructure – tools and equipment required to deliver the particular training(s) to the relevant number of students.
  - Technical assistance and other costs related to the skills training program development, improvement, or replication and authorization process (if considered) – local and foreign Short-Term Technical Assistance (STTA) costs, written translation costs, authorization fee (initial), registration of patents and/or intellectual property rights (initial registration fees), or purchase of rights for use of others’ intellectual property (initial fees).
  - Cost related to acquiring and maintaining international certifications – initial franchise and/or license fees, franchise and/or license maintaining fees for a certain period of time (subject to discussion and agreement with the Program), local and foreign STTA costs



for the implementation period, translation, editing and adaptation of the training materials, registration/authorization fees, or initial legal costs.

- Training of instructors – any costs related to training-of-trainers/instructors at the start-up phase and during implementation (including cost related to international expert fees and international travel for the purpose of increasing the qualifications of the trainers), except of those costs qualified as non-eligible. **Costs related to the salaries of the trainers/instructors during the delivery of the training programs are not eligible.**
- Implementing student participation through innovative forms and methods, including digitalization of education delivery – any costs qualified as eligible under this APS.
- Monitoring student outcomes – local and foreign STTA costs and other eligible costs required for the development and initial implementation of monitoring models and systems.
- Access and inclusion approaches – any eligible costs related to the adoption and implementation of access and inclusion approaches, including local STTA costs.
- Activities related to attracting students – any eligible costs related to drawing students to the proposed training program(s).
- Expenditures related to publicity – communication to the public and press on developments or achievements of the concept.
- Grants will cover only necessary and allowable costs linked to the execution of the activity such as staff salaries, consultant fees, training, meetings and seminars, publications, purchase and/or rental of equipment, office and travel expenses, and other direct costs. The specific costs to be funded under the Program must conform to the USAID guidelines for funding activities.
- Should it be deemed necessary by the ERC, grants will also cover costs associated with mitigating the environmental impact of activities. These mitigation measures should clearly outline associated resource needs.
- Activities can only begin upon signature of the agreement between the applicant and IESC. Costs incurred before execution of the agreement (including signed certifications and assurances) will not be reimbursed unless agreed upon in writing.
- The activities to be implemented under grants will ensure that women and vulnerable groups are equal partners and beneficiaries in economic development.

### **E.3. Matching Contribution Eligibility**

To be eligible for a grant award, the applicants must contribute through matching contributions. The total value of the matching contributions to this activity by the applicant must be a **minimum 50% of the total requested investment, which must include a cash contribution of at least 20% of the funding amount requested from the Program.**

All contributions by the applicant (both financial and in-kind) must meet all the following criteria:

- Be verifiable in the applicant records.
- Be necessary and reasonable for proper and efficient accomplishment of grant activity objectives.
- Be allowable under the applicable USAID regulations.
- Must not be included as matching contributions for any other U.S. government–assisted program.
- Must not be paid by the U.S. government under another grant or agreement.
- Are provided for in the estimated activity cost and in the approved budget, if selected.

### **E.4. Ineligible Activities and Unallowable Costs**



All grant costs must be reasonable, allowable, and directly related to the grant award. Grant funds cannot be used for the following:

- Construction activities (without prior approval by the Program).
- **Any operational costs related to the training programs' delivery, including salaries of the trainers/instructors. Applicant can count these costs toward their cost matching contribution. Training-of-trainers costs or those related to program development are allowable.**
- Any lease/rental fee. Applicant can count these costs toward their cost matching contribution.
- Private ceremonies, parties, celebrations, or "representation" expenses.
- Purchases of restricted goods, such as certain agricultural commodities, motor vehicles (including motorcycles), pharmaceuticals and contraceptive items, pesticides, used equipment, U.S. government excess property and fertilizers without the prior approval by the USAID Contracting Officer (CO).
- Prohibited goods under USAID regulations, including but not limited to military and surveillance equipment, police or law enforcement equipment, abortion equipment and services, weather modification equipment, luxury goods, and gambling equipment.
- Purchases of goods or services restricted or prohibited under the prevailing USAID source/nationality regulations and relevant Standard Provisions; or from countries or suppliers as may be identified by USAID's consolidated list of debarred, suspended, or ineligible subcontractors at <https://sam.gov/content/home>.
- Any purchases or activities deemed unnecessary to accomplish grant purposes as determined by IESC.
- Previous obligations and/or bad debts.
- Fines and/or penalties.
- Creation of endowments.
- Taxes and VAT on the purchase of supplies/services.
- Currency exchange losses.
- Purchase of land or buildings.
- Interest owed.
- Costs of project preparatory studies or other preparatory activities.
- Miscellaneous and/or contingency costs.
- Activities unlawful under the Georgian law.
- Other costs unallowable under USAID and/or federal regulations, such as alcoholic beverages.
- An organization may opt for a flat 10% de minimis indirect rate on Modified Total Direct Costs. Indirect costs are never allowed under simplified grants.

## **F. AUTHORITY/GOVERNING REGULATION**

The Program grants to non-U.S. organizations adhere to federal guidance provided under 2 CFR 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" as detailed in the USAID Mandatory and Standard Provisions.

Full text of this regulation can be found at <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>. The Program is required to ensure that all organizations receiving USAID grant funds comply with the guidance found in these circulars, as applicable to the respective terms and conditions of their grant awards.



**USAID**  
FROM THE AMERICAN PEOPLE

დამსახიბებელი ვროფესიული განათლებისთვის  
INDUSTRY-LED SKILLS DEVELOPMENT PROGRAM

Issuance of this APS and assistance with application development do not constitute an award or commitment on the part of the Program, nor does it commit the Program to pay for costs incurred in the preparation and submission of an application. Further, the Program reserves the right to accept or reject any or all applications received.

During the application review and implementation process of grants, the Program reserves the right to investigate an application or ongoing grant due to any real or perceived conflict of interest. In the event that the project determines that a conflict of interest exists, the Program may disqualify an application or terminate a grant.

## **ANNEXES**

- Annex I – Concept Paper Template