



Request for Application (RFA)

USAID Industry-led Skills Development Program

Request for Applications (RFA) No. 009-CI-002-2022

Incentivizing Private Sector Engagement in Skills Development through the Creation of Model Sector Skills Organizations

Announcement Type:	Request for Applications (RFA)
Funding Opportunity Number:	009-CI-002-2022
Funding Opportunity Title:	Incentivizing Private Sector Engagement in Skills Development through the Creation of Model Sector Skills Organizations
Issuance Date:	October 24, 2022
Applications Submission Due Date:	November 25, 2022

Dear Applicant:

The United States Agency for International Development (USAID) Industry-led Skills Development Program (the Program) is seeking applications from eligible organizations to utilize innovative approaches through private sector engagement in skills development to facilitate the creation and/or development of Sector Skills Organizations (SSOs). Mobilization of sectoral associations' efforts will ensure the availability of up-to-date sectoral knowledge and help maintain the vocational education system's responsiveness to current and future labor market needs. You are invited to submit an application to the Program's Incentivizing Private Sector Engagement in Skills Development through the Creation of Model Sector Skills Organizations initiative in accordance with the terms contained herein.

Sector Skills Organizations, as defined by a government resolution adopted on August 9th, 2022, are independent member organizations comprised of private sector firms or associations from a specific industry and/or sector with a mission to utilize sectoral knowledge to standardize skills development and qualifications and ensure educational quality. Additionally, SSOs' mandate includes developing professional standards, conducting skills mapping, certifying educational institutions, facilitation of public-private partnership projects, and participation in student assessment.

Details on the Program and application process can be found in this application package. To make information on grants accessible to all interested stakeholders, the Program plans to hold a pre-submission group workshop/information session on **November 8, 2022**.



The workshop will provide eligible and interested applicants with the opportunity to ask questions about the RFA process and receive guidance on how to submit an application. Interested applicants that meet the eligibility requirements as defined in Section E below and would like to attend this workshop must confirm their attendance in advance by sending the participant’s name and organization’s name via e-mail to skillsgrants@iesc.org **no later than 5 working days prior to the workshop.**

Applicants may also send questions about the application process to skillsgrants@iesc.org until **November 11, 2022 18:00 local time.**

- Program’s Facebook Page - <https://www.facebook.com/USAIDSkillsProgram>
- Program’s Webpage - <https://iesc.org/program/usaaid-industry-led-skills-development/>

The full application, respective annexes, and supporting documentation should be submitted in electronic form to skillsgrants@iesc.org. All applications should reference RFA No. 009-CI-002-2022 and must be submitted in English. Full applications are due no later than **November 25, 2022 18:00 local time.** Late or unresponsive applications will not be considered. Key dates are as follows:

Activity	Due Date
Registration for Pre-Submission Workshops and Info Sessions	No later than five (5) working days prior to the desired workshop
Pre-application Workshop/Info Session	November 8, 2022
Questions Due to skillsgrants@iesc.org	November 11, 2022
Program Posts Responses to Questions	November 18, 2022
Submission of Full Applications	November 25, 2022
Estimated Start Date of the Grant	January, 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.

The following annexes are included with this RFA:

- Annex 1 – Full Application Form
- Annex 2 – List of Indicators
- Annex 3 – Grant Application Budget Forms
- Annex 4 – Pre-Award Risk Questionnaire
- Annex 5 – Grant Activity Gantt Chart
- Annex 6 – Vocational Skills Agency’s Memorandum of Understanding (MOU) template
- Annex 7 – Government Resolution #416, August 9, 2022



SECTION I. INDUSTRY-LED SKILLS DEVELOPMENT PROGRAM GRANT ACTIVITIES

A. INDUSTRY-LED SKILLS DEVELOPMENT PROGRAM BACKGROUND

The purpose of the USAID Industry-led Skills Development 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 provides 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, but which are new to grantees, economic sectors, or geographical locations. Under **Component 2**, the Program scales and establishes private sector-demanded training programs delivered independently or through partnership with and the support of skills training providers. 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.

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, both public and private education and training providers, regional chambers of commerce, 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 is creating a network of employer-led skills development initiatives and partnerships across Georgia.

This RFA is for grant activities under **Component 1**.

B. COMPONENT I GRANTS DESCRIPTION

B.1 Background

Institutional reorganization of the Technical and Vocational Education and Training (TVET) sector anticipates strengthened participation of the private sector at the macro, mezzo and micro levels.¹ The Vocational Skills Agency (the Agency), a non-entrepreneurial, non-commercial legal entity, is a new player in TVET governance devoted to leading the development process and facilitating the active participation of employers in every cycle of education formation. The new phase of TVET reform anticipates development of a new system utilizing the sectoral expertise available in the private sector to contribute

¹ Private sector participation in policy making – Macro Level
Private sector participation in policy implementation – Mezzo Level
Private sector participation in delivery of educational services – Micro Level



to improved educational quality and relevance to labor market needs. The new policy envisions the creation of Sector Skills Organizations (SSOs) as new strategic actors of the TVET system.

SSOs should reduce skills gaps and shortages in the sector and impact on the workforce quality by performing the following functions²:

1. Labor market needs identification and sector skills needs anticipation; occupational/educational standards development;
2. In the framework of work-based learning, supporting work based learning and private sector engagement in VET. In particular:
3. Granting/withdrawing Training Enterprise Status to/from private companies according to relevant regulation;
4. Developing and implementing strategy and action plan in order to ensure engagement of Training Enterprises in dual education;
5. Assisting VET institutions and Training Enterprises in the process of program development/implementation and selection of VET students;
6. Monitoring performance of the contract signed between the Training Enterprise and the VET student and introducing measures for conflict prevention
7. Implementing consultation services related to work-based learning as well as promoting WBL and providing various awareness raising events;
8. Supporting partnerships between VET institutions and the private sector including providing consultation to Training Enterprise and coordinate cooperation between Training Enterprises and VET institutions
9. Cooperating with VET institutions and Training Enterprises during the mid-term evaluation, as well as ensuring the management or/and participation of qualification exam.
10. In case of implementation of VET programs in the form of cooperative learning and VET institutions request, assisting VET institutions in the assessment process of partner companies.

A non-entrepreneurial, non-commercial legal entity can obtain SSO status if it meets the following criteria:

1. It ensures broad representation of the economic sector (including objective and non-discriminatory³ procedures for membership admission and expulsion). In addition, its organizational and management system should ensure the participation of representatives of the relevant sector in the process of decision making and management;
2. It provides the necessary material and human resources for the implementation of the functions of an SSO defined by the regulatory framework and has a business process management system; and
3. It ensures the existence of relevant resources and mechanisms for sustainable development of the SSO.

The Agency is responsible for registration of the SSO in the respective economic sector that meets the above selection criteria. Throughout the registration process, the Agency strives to develop SSOs by stimulating the respective sector associations' consolidation around the SSO mission and goals. The Agency encourages collaboration among key players within the sector and assists the process of SSO

² As defined in Government Resolution #416 (see Annex 7).

³ The entity does not discriminate on the basis of race, color, national origin, age, disability, or sex (including pregnancy, sexual orientation, and gender identity).



establishment in each sector. In order to be registered as an SSO, associations can form an initiative group⁴ and sign a Memorandum of Understanding (MOU) with the Agency – please see **Annex 6**.

B.2 General Objective

The objective of this RFA is to support the establishment and development of **model Sector Skills Organizations (SSOs)** in Georgia that will be the subject to further replication by others. Applicants must demonstrate the commitment and capacity to meet the SSO selection criteria as well as implement functions for granting SSO status defined by Government Resolution #416, adopted on August 9, 2022 (**Annex 7**). Applicants should demonstrate how they will ensure proper investment of grant resources and sustainability beyond the grant period. Grant activities funded under this RFA will be new private sector engagement modalities piloted under the Program in the skills development sector.

B.2.a Specific Objectives

The Applicant should carry out the following activities during the grant period:

1. Sign a Memorandum of Understanding with the Agency meeting all the requirements set out by the relevant regulations (**Annex 7**). This is considered to be the first milestone to be fulfilled to continue with the implementation of a grant project. This is not relevant to those organizations which are among the signatories to a MOU of an SSO initiative group and entitled to operate on behalf of the initiative group.
2. Register a legal entity to serve as a potential SSO uniting MOU signatory organizations. This is not relevant to those organizations that are already legally formed as an organization looking to obtain SSO status and that have MOUs signed with the Agency.
3. Ensure institutional development, operational capacity and sustainability of the organization and register as an SSO as per existing regulations.
4. Fulfill functions for registering as an SSO as defined by the regulatory framework. More details on this are given in the Deliverables section below.

The grantee will be requested to submit the following anticipated deliverables under the grant project⁵:

- MOU with the Agency developed and signed (unless this was completed prior to grant signing);
- NNLE registered (unless this was completed prior to grant signing);
- Implementation strategy developed, including a) institutional development and b) a long-term development sustainability plan;
- SSO operational manual developed including the description of human, financial, and technical resources;
- Sector-related skills needs identified and sectoral maps developed (note: if maps are already developed, revise them and prioritize activities which are linked to occupational standards);

⁴ An Initiative Group is a prerequisite for signing a memorandum with the Agency (Annex 6).

⁵ Grantee may take on more responsibilities and perform more functions from the list of SSO functions defined by the regulations. These deliverables are meant to help grantees build capacity required to operate legally and fulfill SSO functions.



- Occupational and educational standards developed, based on the identified skills needs and relevant documentation presented⁶;
- One additional key function of SSO selected and implemented and relevant evidence presented (selection is up to the applicant);
- SSO established and registered by the Agency.

NOTE: Grant outputs shall align with Vocational Skills Agency requirements and must be coordinated closely with the Agency. Coordination will be facilitated by the Program as part of the grant project.

B.3 Funding

The maximum award ceiling amount is **USD \$30,000** per recipient and the maximum grant duration is 12 months. The grant funding amounts in the grant agreements will be fixed in U.S. Dollars (USD). Disbursements will be made in Georgian Lari (GEL), according to the disbursement schedule established in the grant agreement and utilizing the official exchange rate established by the National Bank of Georgia on the day of payment. Payments will either be made on a reimbursement basis in tranches corresponding to achievement of agreed upon milestones or, in exceptional cases, on a periodic advance and liquidation basis. The payment method will be determined by the Program as part of an analysis of the Applicant's organizational capability to manage grant funds.

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 that 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 a minimum of **20%** of the total requested grant amount from the Program. Of the Program's contribution, which will not exceed **US \$30,000**, the Applicant's cash contribution must equal or exceed **10%** of the amount funded by the Program. Further information on which applicant contributions are allowable 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.

Full Applications must be supported by a budget as described in Section C "Instructions to Applicants" below.

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

⁶ The exact number of standards will be determined at a later time.



development programs and provide equitable access supporting them to overcome language, financial, social, or other types of constraints.

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 the 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. While the environmental analysis will only be required in subsequent stages of the process, 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. Applicant Assessment

All applicants are subject to a pre-award responsibility determination by the Program, to ascertain whether the organization has the minimum management capabilities required to handle U.S. Government funds. The Pre-Award Risk Questionnaire form in **Annex 4** of this package is a required first step in the responsibility determination process. This questionnaire must be completed and submitted with the Applicant's grant application.

C.2. Full Application Form

Templates for presentation of both the technical and budget aspects of the application are provided in **Annexes I-5**. Applicants must present their proposals using these templates.

Please consider that the length of the completed Full Application Form should not exceed 10 (ten) pages. The application elements and guidelines are summarized below:

C.2.a. Full Application Form

- **Section I (Full Application Summary and Basic Information).** The Applicant provides a brief summary of the proposed grant activity, their contact information, and information regarding the status of the organization.



- **Section II (Grant Description).** The Applicant describes overarching grant elements such as the objective of the grant and the linkage to the Program’s objectives, anticipated results and indicators for measuring results, the activity’s main tasks, and the grant activity’s beneficiaries.

For each proposed activity, the Applicant will be required to track specific indicators that are determined in consultation with the Program. The Program has developed a list of suggested indicators that is included as **Annex 2 – List of Indicators**. The Applicant may also propose other indicators or methods for measuring the success or impact of their grant activity.

The Applicant should present the proposed grant activity implementation methodology and reasons for the suggested methodology based on grant objectives, anticipated results, and proposed activities including approach to conducting/updating the sectoral mapping exercise and development of professional standards. The Applicant should elaborate on all criteria listed below, including processes, tools, approaches, and methods suggested to implement proposed interventions. The Applicant should also describe communication and outreach activity(s) and innovations (if applicable).

The Applicant should list anticipated risk factors, their probability and potential impact, and further describe its strategy for their mitigation and management.

- **Section III (Grant Implementation Plan).** The Applicant provides information regarding grant implementation, including proposed personnel and descriptions of each task. Proposed tasks should reflect and be in line with the information provided in **Annex 5 – Grant Activity Gantt Chart**. Each task must be:
 - Complete and sound;
 - Integrated and scheduled with dependent tasks;
 - Assigned to a responsible party;
 - Defined in terms of resources required; and
 - Concluded with a viable milestone of achievement—milestones must be linked to results.

The tasks listed must show a logical, thoughtful approach to the overall implementation plan. Tasks should describe actions and be logically sequenced. Each task must contribute to the achievement of the grant objective. Environmental impact mitigation (if applicable) and gender and social inclusion approaches should be reflected in the overall implementation plan.

The implementation plans must be supported by a description of main tasks that lists all identified actions and the start and end dates of each task, over the duration of the activity.

The Applicant should describe locations of the proposed grant activity and its target groups.

The management plan should outline roles and responsibilities of key personnel who will be involved in implementing this grant activity (CVs and rate and market justification for salary may be required for all grant activity personnel during the negotiation phase).

- **Section IV (Experience and Sector Representation).** The Applicant describes previous or ongoing experience implementing activities of similar size and complexity - if applicable. Previous or ongoing experience implementing activities directed towards representing the sector and serving to their needs. In terms of scope and/or scale, work experience and positioning in the



sector. This is an important factor in assessing the capacity of the Applicant to implement the activity. The Applicant also provides contact information of references that can speak to the Applicant's past performance and capabilities.

- **Section V (Cost and Sustainability).**

Cost – This is a summary of the information provided in Annex 3 – Grant Application Budget Form, which includes the total grant funding request disaggregated per budget category, and the Applicant's cash or in-kind contributions and/or contributions from other sources for the activity.

Sustainability – The Applicant discusses strategies for ensuring the sustainability of the proposed activity and organization and third-party leveraging of funds (if any). Explain how the grant activity will be made sustainable after completion of the grant funding. This may include necessary follow-up activities, built-in strategies, ownership, and communication plans. Distinguish between three types of sustainability: Financial, programmatic and Institutional Sustainability.

Each section should correspond to the merit review criteria definitions in Section D of this document.

C.2.b. Grant Application Budget Form

Each Technical Application must be supported by detailed budget forms. Applicants must submit their budget in accordance with **Annex 3 Grant Application Budget Forms**. While there is no page limit for this portion, applicants should be as concise as possible, but still provide the necessary details. Proposed costs must represent cost efficiency and be reasonable and allowable per the federal cost principles provided under 2 CFR 200, the full text of which can be found at <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>; further information on the federal cost principles is included in section F of this RFA. When properly completed, reviewed, and approved, this budget template serves as the mutually agreed-upon “roadmap” for the activity’s financial management. All activity costs must be identified. Cost data must be accurate and proposed amounts should be realistic.

It is important that the budget clearly indicates where specific grant activity funds are to come from (from USAID via the Program, contributed by the Applicant, and/or by third-party resources). Contributions from third-party resources can be included as grantee contributions if they come 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 affiliated third parties to verify their contributions.

Applicants **must submit supplemental budget notes and must provide an accompanying narrative by line item**, which explains in detail the basis for how the Applicant derived the individual line-item cost. The budget notes must be sufficient to ensure that the Program can determine the purpose of every cost item proposed, as well as understand the basis for the cost estimate (quotes, timesheets, salary notice for personnel, daily rates of experts, etc., that support proposed cost and are necessary for cost analysis).

The Applicant must provide backup/justification for costs covered by the Program in the budget at the time of submission, such as quotes from vendors, or rate verification for staff rates proposed.



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.c. Additional Application Instructions

The Full Application Form and the Grant Application Budget Forms must be signed by an authorized agent of the Applicant. Applications must be submitted in English. Applications should be submitted in electronic form to skillsgrants@iesc.org.

In addition to the application forms and annexes, applicants should include a copy of their organization's valid legal registration, organizational charter, corporate by-laws, and a copy of their latest audited financial statements – if applicable. The Full Application, respective annexes, and supporting documentation must be submitted by no later than **November 25, 2022, 18:00** Georgia Standard Time (UTC/GMT +4). Applications received after the closing date and time will not be considered.

To assist applicants in preparation of the Full Application, the following checklist summarizes the documentation to include in a submission in response to this RFA:

- Full Application Form (Annex 1)
- List of Indicators (Annex 2)
- Grant Application Budget Forms (Annex 3)
- Pre-Award Risk Questionnaire (Annex 4)
- Grant Activity Gantt Chart (Annex 5)
- Valid legal registration in Georgia, organizational charter, corporate by-laws
- Latest audited financial statements – if available
- Unique Entity ID number (if the Applicant currently has one; if the Applicant does not have one, it will be required before award).

D. MERIT REVIEW EVALUATION

The information that the Applicant provides in the full application will allow the Program to decide if they are a suitable candidate for partnership. If an application corresponds with the objectives of the Program, and meets the eligibility criteria listed in this RFA, IESC staff will submit the application to the Grant Evaluation Committee for evaluation against the merit review criteria outlined below in this section. Based on this review, the Committee will either approve, request further clarification or revisions, or reject the application. The recommendation or approval of an application by the Committee in accordance with the established procedures does not guarantee an award. All applicants must demonstrate that they possess the necessary management competence to practice mutually agreed upon methods of accountability for funds and other assets provided.

The Program will provide the Applicant with a Pre-award Risk Assessment (**Annex 4**) to determine whether the applicant has the necessary organizational experience, accounting, and operational controls in place or whether specific conditions will need to be included in the grant agreement. Additionally, as required by 22 CFR 216, the Program will evaluate the potential environmental impacts of all proposed grant activities prior to award. Upon successful completion of these stages, the application will be submitted to USAID for final review and approval. If both the Program and USAID approve, the award will move into the final stage, where the award will be finalized, and a post award management plan will



be created for each grant to ensure that the award recipient will fulfill its requirements and receive the agreed upon assistance. All awards will be monitored on an ongoing basis and evaluated upon the grant award’s conclusion. While some applications will be rejected outright, some applicants presenting valuable or desirable applications but lacking sufficient information for award may be asked to provide additional information. In addition, the Program will analyze all the potential impacts, cost, and benefits of the submitted full applications relating to all major inputs described, such as feasibility of the initiative, approaches proposed, sector representation, organizational capacity, and past experience implementing activities related or analogous to those proposed, as well as reasonability of proposed costs.

As noted above, the evaluation process, negotiation, USAID approval, and finalization take an estimated 70 working days from the day the RFA is closed. However, this is a notional timeline and may be subject to change. Consequently, plan your activity accordingly.

If the Applicant’s total average score is less than 70% of the maximum points, the Grants Evaluation Committee will automatically reject the application.

Merit Review Category	Maximum Points Possible
A. Feasibility of Design and Approach	40
B. Management and Organizational Capacity	20
C. Programmatic, institutional and Financial Sustainability	20
D. Past Performance and Sector Representation	10
E. Cost Reasonableness	10
Overall Rating (out of 100 points)	100

These merit review criteria elements are described below.

A. Feasibility of Design and Approach. Applicant should demonstrate the feasibility of the described processes, tools, approaches, and methods suggested to implement the proposed interventions with respect to provisions defined by the 2nd clause of Article 13 of the Government Resolution #416 in order to satisfy the requirements set for registering the SSO, which is to be the final milestone of the grant activity.

B. Management and Organizational Capacity. Evidence of the capability to undertake and accomplish the proposed activities. Proposal should demonstrate the ability to ensure the participation of representatives of the relevant sector in the process. Appraisal will be based on reference checks by the Program.

C. Programmatic, institutional and Financial Sustainability. The extent to which the funded SSO will result in a successful business model that continues operations beyond the grant period and becomes self-reliant. Solid evidence of potential for sustainability should be presented reflecting three dimensions as requested in the Full Application Form: financial, programmatic and institutional sustainability.

D. Past Performance and Sector Representation. Previous or ongoing experience implementing activities directed towards representing the sector and serving to their needs. In terms of scope and/or scale, work experience and positioning in the sector. This examines the Applicant’s track record, which is an important factor in assessing the capacity of the Applicant to implement the activity.



E. Cost Reasonableness. The degree to which budgeting is clear and reasonable and reflects the best use of organizational and grant resources. In addition, reasonableness of the budget justification will also be considered. Commitment of the Applicant to finance a share of the proposed activities will also be considered and is a requirement of this RFA.

E. ELIGIBILITY

E.1 Recipients

Organizations eligible to apply for grant funding are non-entrepreneurial, non-commercial legal entities (NNLE) established in accordance with Georgian law and meeting one of the following criteria:

- An NNLE established by members of an initiative group of a potential Sector Skills Organization that has a memorandum signed with the Agency;
- An NNLE that is a sector or professional association and is a signatory to an MOU of an SSO initiative group⁷ and is entitled to operate on behalf of the initiative group; or
- An NNLE that is a sector or professional association seeking and well positioned to achieve SSO status, even though they have not yet signed an MOU with the Agency. In such a case, signing of an MOU with the Agency will be considered to be the first milestone under the grant agreement if an application is approved.⁸ Please find attached an MOU template and requirements in **Annex 6**.

Additional requirements are as follows:

- Applicants may only submit one application under this RFA as the leading organization;
- Applications from faith-based and community groups will have equal opportunity to obtain funding in accordance with the mandated guidelines laid out in this RFA, 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 capacity and interest in sustainable engagement and feasible project design meeting the Program's goals and objectives as described in 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 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 an 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

⁷ Business membership organizations and Skills Agency Georgia sign the Memorandum of Understanding on the establishment of an initiative group of Sector Skills Organization.

⁸ Although organizations that have already signed an MOU with the Agency will be at an advantage in the selection process, applications from SSO initiative groups that are on track to sign an MOU with the Agency in the near future will also be given strong consideration.



- Survey on Ensuring Equal Opportunity for Applicants (Completion of survey is voluntary)
- For any grant(s) resulting from this solicitation that is other than in-kind, grantees will be required to obtain a Unique Entity Identifier (UEI). If the Applicant already has a UEI, it should be included in their application. Otherwise, applicants will be expected to obtain a UEI before an award is made. UEI numbers can be obtained online at <https://sam.gov/content/home>.
- 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 grantees will follow the marking and branding plan of the Program, which will be annexed to the grant agreement.
- All applications must ensure environmental soundness and compliance in design and implementation as required by 22 CFR 216.

E.2 Eligible Activities

Grant activities funded by the Program will meet the following general criteria:

- Grants supported by the Program must promote the activity objectives. 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.
- Eligible grant expenditures include technical assistance and other costs related to the development/improvement of organization’s operational capacity and awareness raising on new approaches to private sector engagement.
- Grants will cover only necessary and allowable costs linked to the implementation of the activity such as staff salaries, consultant fees, training, meetings and seminars, publications, and other direct costs.
- The specific costs to be funded under the Program must conform to the USAID guidelines for funding activities; allowable cost information may be found here: [eCFR : 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#).
- Should it be deemed necessary by the Environmental Review Checklist (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.

E.3 Matching Contribution Eligibility

To be eligible for a grant award the applicants must contribute through matching contributions. The total value of contributions from the grantee to this activity by the Applicant must be a minimum 20% of the total requested investment, with a required 10% in cash.

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

- Be verifiable in the Applicant’s 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; and
- 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.**
- Any Lease/Rental fee. The Applicant can count these costs toward their cost matching contribution if it is directly attributable to grant performance (not general operational leases/rental fees for the company).
- 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, interest owed, 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.
- 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.

F. AUTHORITY/GOVERNING REGULATIONS

The Program grants provided to non-U.S. organizations must 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.

The 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.



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INDUSTRY-LED SKILLS DEVELOPMENT PROGRAM

Issuance of this RFA 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, 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 1 – Full Application Form
- Annex 2 – List of Indicators
- Annex 3 – Grant Application Budget Forms
- Annex 4 – Pre-Award Risk Questionnaire
- Annex 5 – Grant Activity Gantt Chart
- Annex 6 – Vocational Skills Agency’s Memorandum of Understanding (MOU) template
- Annex 7 – Government Resolution #416, August 9, 2022