

# ANNUAL PROGRAM STATEMENT

## USAID Democratic Governance East Activity (DG East)

### Annual Program Statement (APS) No. APS01

Issuance Date: March 19, 2019

Closing Date: September 30, 2019

Dear Applicant:

The USAID Democratic Governance East Activity (DG East), implemented by Chemonics International, is seeking concept papers for implementation of activities designed to strengthen the connection and trust between citizens and their government in eastern Ukraine by promoting good governance and further develop Ukrainian civic identity.

Grants will be awarded to Ukraine-based non-governmental organizations and in-kind support to government entities (among others). The APS below describes how DG East will accept and evaluate proposals from:

1. Government entities (Section IVA 1));
2. Non-government entities submitting proposals valued below 656,000 UAH (Section IVA 2)); and
3. Non-government entities submitting proposals valued above 656,000 UAH (Section IVA 2.a)).

The grants will be awarded and implemented in accordance with USAID and US Government regulations governing grants under contracts and DG East's internal grant management policies.

The project will hold a pre-application workshop on:

- April 8, 2019 in Kramatorsk from 1400-1600.
- April 9, 2019 in Severodonetsk from 1100-1300.
- April 10, 2019 in Mariupol from 1000-1200.
- April 11, 2019 in Kyiv from 1400-1600.

The workshop venue will be emailed to the registered participants.

This workshop will allow eligible and interested applicants the chance to ask questions about the APS and receive guidance on how to complete the concept paper and the full grant application process. Interested applicants that meet the eligibility requirements defined in Section III below and would like to attend this workshop must confirm their attendance by sending the participant's name and the organization's name to [DGE-Grants@ukraineDG-East.com](mailto:DGE-Grants@ukraineDG-East.com) (subject line: Workshop attendance). DG East will not reimburse organizations for travel or related expenses to attend the workshop.

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

The following Annexes are included with this APS:

- **Annex A** – Grant Concept Paper

## SECTION I. PROGRAM DESCRIPTION

### IA. OBJECTIVE

Chemonics International within the framework of the USAID Democratic Governance East Activity (hereinafter referred to as DG East) announces the call for concept papers.

DG East is awarding grants to Ukraine-based NGOs and local government entities to strengthen the connection and trust between citizens and their government in eastern Ukraine by promoting good governance and further develop Ukrainian civic identity in Donetsk and Luhansk regions.

The objectives of the DG East Activity are:

**Objective 1:** Greater acceptance of a shared civic culture based on common values and understandings

SO 1.1: Increased interaction of citizens with civil society groups

SO 1.2: Increased understanding of reform and participatory governance processes

SO 1.3: Further development of Ukrainian civic identity

**Objective 2:** Increased participation to improve Ukraine's governance and form processes and help resolve community problems

SO 2.1: Increased integration of separated, marginalized, or isolated populations

SO 2.2: Effective advocacy by local actors on relevant national and regional-level policies

SO 2.3: Improved local governance processes and capacities

As a result of the competition, the DG East Project anticipates awarding 15 million UAH through grant awards in Donetsk region and 15 million UAH in Luhansk region.

This competition is in the form of a public announcement to provide all interested parties with an equal opportunity to apply for funding. The competition does not constitute an obligation on the part of DG East, Chemonics, or USAID to provide a grant, and does not cover any costs associated with the preparation and/or submission of the concepts or applications, or with any procurement or conclusion of contracts for services or goods. In addition, DG East reserves the right to decline any or all applications submitted, negotiate with any applicant for the purpose of amending the applications or provide grants without further negotiations with the applicant.

### IB. BACKGROUND

DG East is a five-year contract that aims to strengthen the connection and trust between citizens and their government in eastern Ukraine, through activities that achieve the following results:

- Increased interaction of citizens with civil society groups
- Increased understanding of reform and participatory governance processes
- Further development of Ukrainian civic identity
- Increased integration of separated, marginalized or isolated populations
- Effective advocacy by local actors on relevant national regional-level policies
- Improved local governance processes and capacities

DG East will provide opportunities for citizens to engage with their government, provide government with resources to support their citizens, and create opportunities for citizens of Ukraine to create hope in their future and positive changes in their daily lives.

Additionally, DG East will address the following cross-cutting priorities: youth, gender, inclusion of vulnerable populations, media and communications.

## **IC. PROGRAM DESCRIPTION**

DG East welcomes concept papers that address creative approaches that result in:

- Increased interaction and inclusion of citizens with civil society groups – this may comprise increasing the organizational development of civil society groups to more clearly articulate and plan for activities and events that increase the group’s constituency; increasing outreach and communications capacities of civil society groups (e.g., information campaigns, video success stories, etc.)
- Increased understanding of reform and participatory governance processes – this may comprise media products, communications campaigns, and awareness-raising on the role of Donetsk/Luhansk in Ukraine’s national reform agenda, tangible benefits of reforms, publicly available oversight tools, public participation in developing e-democracy tools, etc.
- Further development of Ukrainian civic identity – this may comprise cultural events, public art/spaces, awareness-raising, advocacy, or other community-based efforts that exemplify and popularize modern Ukrainian values of social engagement, tolerance, critical thinking, and innovation.
- Increased integration of vulnerable, separated, marginalized or isolated populations – this may comprise initiatives that raise awareness of, and help address gaps in access to services; integration of marginalized/isolated groups in the other participatory governance and civic identity issue areas under DG East, etc.
- Effective advocacy by local actors on relevant national regional-level policies – this may comprise increasing the advocacy capacity of local entities or initiatives, working with constituents, research to inform policy formation, or supporting coalition-building among interest groups on a policy issue
- Improved local governance processes and capacities – this may comprise technical and material assistance to improve local government service delivery, improved budget development and implementation, increased government transparency and accountability mechanisms, increased outreach by government entities to engage with citizens in local decision-making, etc.

DG East recognizes that some grantees may need technical assistance to more effectively carry out the activity. Applicants are encouraged to specify their needs for technical assistance and/or training in their application.

## **ID. AUTHORITY/GOVERNING REGULATIONS**

DG East grant awards are made under DG East grants procedures under the authority of the U.S. Foreign Affairs Act and USAID’s Automated Directive System (ADS) 302.3.5.6, “Grants Under Contracts.” Awards made to non-U.S. organizations will adhere to guidance provided under [ADS Chapter 303](#), “Grants and Cooperative Agreements to Non-Governmental Organizations” and will be within the terms of the USAID Standard Provisions as follows:

- Standard Provisions for U.S. and Non-U.S. Nongovernmental organizations receiving a fixed amount award can be accessed through the following URL:  
<http://www.usaid.gov/sites/default/files/documents/1868/303mat.pdf>
- Standard Provisions for Non-U.S., Nongovernmental recipients receiving all other types of grants can be accessed through the following URL:  
<http://www.usaid.gov/sites/default/files/documents/1868/303mab.pdf>
- Standard Provisions for Grants with Government entities (see Annex 1).  
<https://www.usaid.gov/sites/default/files/documents/1868/350mab.pdf>

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

- 2 CFR 200 [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E](#)

Full text of 2 CFR 200 can be found at [http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl). DG East 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.

Under the DG East grant program, USAID retains the right at all times to terminate, in whole or in part, DG East grant-making authorities.

## **SECTION II. AWARD INFORMATION**

DG East anticipates awarding approximately the UAH equivalent of 15 million UAH in each of two oblasts: Donetsk and Luhansk. It is anticipated that each grant award may range from between 529,000 UAH and 5,293,490 UAH, but the final amount will be dependent upon grant activities and final negotiation and may be lower or higher than that range. The duration of any grant award under this solicitation is expected to be no more than 12 months. These grants may begin as soon as possible but should begin no later than September 30, 2019.

The type of grant will be determined during the negotiation process.

## **SECTION III. ELIGIBILITY**

### **IIIA. ELIGIBLE RECIPIENTS.**

- DG East grant support may be extended to local not-for-profit and for-profit NGOs, associations, government entities, and firms if they are legally registered and recognized under the laws of Ukraine. Illustrative types of organizations may include the following:
  - NGOs/Civil Society Organizations (CSO) (not-for-profit and for-profit as long as the organization is able to receive non-refundable financial aid "a grant")
  - Local cooperatives
  - Government entities such as city and district administrations, amalgamated territorial communities and state universities. Note that grants to government entities will be in the form of in-kind provision of goods and services. DG East will not reimburse a government entity directly for any costs.
  - Private Universities with existing NGOs
  - Professional associations

- Other business associations
- Applicants must have a history of performance in Donetsk and Luhansk region
- Applicants may not submit more than 2 (two) concept papers per prime organization under this APS.
- Applicants should have established outreach capabilities or significant commitment to outreach with linkages to the beneficiary group(s) identified in the program description. The concept paper should identify the problem and include who the key beneficiaries are. app.

Applicants must display sound management in the form of financial, administrative, and technical policies and procedures and present a system of internal controls that safeguard assets; protect against fraud, waste, and abuse; and support the achievement of program goals and objectives. DG East will assess this capability prior to awarding a grant. For new organizations without these capabilities, DG East may adjust the type of grant, provide capacity building assistance, and include specific conditions in the grant award.

- Additionally, applicants must sign required certifications prior to receiving a grant.
- For any grant award(s) resulting from this solicitation that is other than in-kind and equivalent to 656,324 UAH or more, grantees will be required to provide a Data Universal Numbering System (DUNS) number at the time of award. If the applicant already has a DUNS number it should be included in their application. Otherwise, applicants will be expected to get a DUNS number before an award is made. DG East will assist successful applicants with this process. DUNS numbers can be obtained online at <http://fedgov.dnb.com/webform/pages/CCRSearch.jsp>
- The project will work with the successful grantee to draft a marking and branding plan which will be annexed to the grant agreement.

DG East encourages concept papers from new organizations who meet the above eligibility criteria.

The following organizations or programs **MAY NOT** submit concept papers/applications for grants within the present APS:

- Political parties or private individuals.
- Organizations on the list of organizations excluded from the Federal Excluded Parties List System – [www.sam.gov](http://www.sam.gov)
- Organizations on the Specially Designated Nationals List of the Office of Foreign Assets Control – [www.sam.gov](http://www.sam.gov)
- Organization on the list of terrorist organizations of the UN Security Council – [www.sam.gov](http://www.sam.gov)

#### **IVA. INSTRUCTIONS TO APPLICANTS**

Applicants must propose strategies for the implementation of the program description described above, introducing innovations that are appropriate to their organizational strengths. These instructions are divided into instructions to applicants that are government entities and instructions to applicants that are non-governmental organizations.

## **1) INSTRUCTIONS TO APPLICANTS – GOVERNMENT ENTITIES**

### **CONCEPT PAPER**

The applicant will submit a concept paper based on the concept paper form in (Annex [A]). Applicants shall present their technical application and budget in the formats provided and shall follow the instructions and guidelines listed in these annexes. The concept paper will be evaluated against the merit review criteria listed in Section V below. If the applicant successfully meets or exceeds the merit review criteria, they will move on to the pre-award risk assessment stage. Applications will be reviewed on a rolling basis.

All grant activity costs must be within the normal operating practices of the Applicant and in accordance with its written policies and procedures. The concept paper must be signed by an authorized agent of the Applicant.

## **2) INSRUCTIONS TO APPLICANTS – NON-GOVERNMENT ORGANIZATIONS**

### **CONCEPT PAPER AND GRANT APPLICATIONS FOR NON-GOVERNMENTAL ORGANIZATIONS**

#### **2.a. Grants less than 656,324 UAH will require a concept paper only.**

The applicant will submit a concept paper based on the concept paper form in (Annex [A]). Applicants shall present their technical application and budget in the formats provided and shall follow the instructions and guidelines listed in these annexes. The concept paper will be evaluated against the merit review criteria listed in Section V below. If the applicant successfully meets or exceeds the merit review criteria, they will move on to the pre-award risk assessment stage. Applications will be reviewed on a rolling basis.

All grant activity costs must be within the normal operating practices of the Applicant and in accordance with its written policies and procedures. The concept paper must be signed by an authorized agent of the Applicant.

#### **2.b. Grants more than the UAH equivalent of 656,324 UAH will require a two-stage evaluation process with a concept paper and a full application**

This is a two-stage application process. The first stage is for the applicant to submit a concept paper as described above. If the applicant successfully meets or exceeds the merit review criteria, they will be invited to submit a full application. Only those applicants who meet or exceed the merit review criteria at the concept paper stage, will be invited to submit a full grant application. Applications will be reviewed on a rolling basis.

All grant activity costs must be within the normal operating practices of the Applicant and in accordance with its written policies and procedures. For applicants without an audited indirect cost rate, the budget may include direct costs that will be incurred by the Applicant to provide identifiable administrative and management costs that can be directly attributable to supporting the grant objective.

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

Once the organization has been notified in writing that their concept paper has been accepted, they will be asked to complete a full application. A full application template including a due date will be sent to the applicant at that time.

#### **IVC. INELIGIBLE EXPENSES**

Unallowable costs are further described in Subpart E-Cost Principles in 2 CFR 200 for non-profit organizations and FAR 31.2 “Cost principles for Commercial Organizations”. All costs must be reasonable, allocable, and allowable. DG East grant funds cannot be used for the following:

- 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 prior approval by the USAID 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 per 22 CFR 228 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 [www.sam.gov](http://www.sam.gov) or in the Visual Compliance system. • Any purchases or activities deemed unnecessary to accomplish grant purposes as determined by Chemonics, including any grantee headquarters expenses that are not directly linked to the implementation of the proposed program.
- Any construction or refurbishment activities.
- Previous obligations and/or bad debts.
- Fines and/or penalties.
- Creation of endowments.
- Other costs unallowable under USAID and/or federal regulations, such as alcoholic beverages.
- Indirect costs such as but not limited to overhead or indirect fringe (unless the applicant has documented proof of such rates through audits or USAID-issued NICRA). Indirect costs are never allowed under simplified grants.
- In general, costs not included in the approved budget may not be allowed unless approved in writing by Chemonics.

#### **IVD. SUBMISSION INFORMATION**

Concept papers shall be submitted in *Ukrainian, Russian, or English* and may not be more than 3 (three) pages (Word format, Times New Roman, Font size 11, Single Spaced) using the template in Annex A. Full applications templates will include additional instructions.

Concept papers and full applications (if required) should be submitted in electronic format to DG East at the address below and should reference the Annual Program Statement No.: APS01. DG East will continue to accept concept papers through 23:59 local Kyiv time, on September 30, 2019, or until funds are no longer available. Late or unresponsive applications will not be considered.

USAID Democratic Governance East Activity (DG East)  
[DGE-Grants@ukraineDG-East.com](mailto:DGE-Grants@ukraineDG-East.com)



In addition to the concept paper, applicants should submit the following to DG East:

- A copy of the Applicant's valid legal registration,
- A copy of the Applicant's non-profit certificate (as applicable).

Please submit all questions concerning this solicitation to the attention of [DGE-Grants@ukraineDG-East.com](mailto:DGE-Grants@ukraineDG-East.com) (Subject line: Questions APS01). Answers to questions will be provided on a rolling basis and posted on DG East's Facebook page at the link below:

<https://www.facebook.com/DemocraticGovernanceEast/photos/a.360958428081405/362112894632625/?type=3&theater>

DG East will assist applicants in understanding the application process.

## SECTION V. APPLICATION MERIT REVIEW CRITERIA

### V.a. APPLICATION MERIT REVIEW CRITERIA FOR CONCEPT PAPERS ONLY

All concept papers will be reviewed by an internal review panel/committee comprised of DG East technical implementation staff at least once a month and recommendations may be vetted by a larger group. Concept papers will be evaluated against the criteria below:

<b>Merit Review Criteria</b>	<b>Rating</b>
A. Eligibility	Yes/No
B. Is the activity consistent with DG East's objectives and does it contribute to the project's expected results?	Weak/Satisfactory/Strong
C. Innovation and creativity	Weak/Satisfactory/Strong
D. Reasonable funding	Weak/Satisfactory/Strong
E. Sustainability	Weak/Satisfactory/Strong
F. Awareness of gender and socially inclusive programming	Weak/Satisfactory/Strong
OVERALL RATING	

A. Eligibility. Note that any organization that is not eligible per the Eligibility Requirements listed in IIIA, will not proceed.

B. Is the activity consistent with DG East's Objectives and does it contribute to project's expected results? – Will the proposed grant activities assist in achieving the results in Section I, program description

C. Innovation and creativity. Do the proposed activities represent an innovative and creative approach?

D. Reasonable funding. Does the proposed amount of funding match the amount required to implement the proposed activities? Are the proposed costs considered reasonable?

E. Sustainability. Do the proposed activities promote sustainable results?

F. Awareness of Gender and Socially Inclusive Programming. The extent to which the proposed activity includes a gender component, represents a strong commitment to women as beneficiaries, is committed to and accommodates for inclusion of marginalized, vulnerable or isolated groups.

If an organization is evaluated positively, the review panel will notify the organization and may ask for additional information before moving forward.

## V.b. APPLICATION MERIT REVIEW CRITERIA FOR TWO-STAGE APPLICATION PROCESS

Applications will be evaluated in a two-step evaluation process:

- The first step is for applicants to submit a concept paper which will be evaluated based on the criteria listed above in V.a.
- If the concept paper is accepted, applicants will be asked to submit a more detailed application.

More specific criteria will be used for evaluating full applications for those whose concept papers have been selected. Full applications will be evaluated by an internal project evaluation committee against the merit review criteria in the table below.

<b>Merit Review Category</b>	<b>Rating (Points)</b>
A. Program Expertise	30
B. Technical Approach	30
C. Organizational Capacity and Project Management	15
D. Sustainability	15
E. Awareness of Gender and Socially Inclusive Programming	10
<b>Overall Rating (out of 100 points)</b>	<b>100</b>

These merit review criteria elements are described more fully below.

A. Program Expertise. DG East will assess whether the applicant has sufficient technical knowledge and experience required for the implementation of the proposed project. Does the organization have staff who have the necessary qualifications and experience for implementation of the proposed project? Does the candidate have previous experience (programming and managerial) in implementation of projects of similar type and complexity, and achievement of the required results? Is the candidate represented in the geographical region where they offer to implement a project? If not, is the proposed plan to ensure the presence realistic and economically feasible? Does the organization have access to the respective target group? **(30 points)**

B. Technical Approach. DG East will evaluate to what extent the full application meets the technical description. A strong project application should be based on local conditions and contain a clear description of the existing needs of the target group, gaps in service provision to that target group, as well as a description of how the project will contribute to addressing those gaps. The committee will consider whether the proposed methodology is appropriate and innovative for achieving project objectives. Does the organization have partners among other NGOs in the region and/or local authorities to successfully implement project activities? The grant committee will evaluate the clarity of the implementation plan including monitoring indicators. **(30 points)**

C. Organizational Capacity and Project Management. DG East will assess whether the candidate has managerial, administrative and financial experience required to implement the proposed project. Does the organization have the potential for development of financial resources to implement the program? Does the organization have the appropriate staff? Is the project implementation schedule realistic in terms of time and the proposed budget? The project budget will be assessed from the perspective of relevancy and feasibility of expenditures. **(15 points)**

D. Sustainability. DG East will assess whether the proposed project is cost effective. How does the application reflect improvement of the organization's sustainability? What steps are envisaged to ensure that the project activities continue after the project completion? **(15 points)**

E. Awareness of Gender and Socially Inclusive Programming. DG East will assess the extent to which the proposed activity includes a gender component, represents a strong commitment to women as beneficiaries, is committed to and accommodates for inclusion of marginalized, vulnerable or isolated groups. **(10 points)**

Additionally, DG East will ensure environmental soundness and compliance in design and implementation as required by 22 CFR 216.

## **SECTION VI. AWARD AND ADMINISTRATION INFORMATION**

All grants will be negotiated, denominated and funded in Ukrainian hryvnia (UAH). All costs funded by the grant must be allowable, allocable and reasonable. Grant applications must be supported by a detailed and realistic budget as described in Section IV.

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

### **LIST ANNEXES –**

- **Annex A** – Grant Concept Paper

## Annex A – Grant Concept Paper

### CONCEPT PAPER

<b>Title of the Project:</b>				
<b>Organization:</b>				
<b>NGO Authorized Person:</b>	title:		name:	
<b>Contact Information:</b>	tel:		email:	
<b>Project Period:</b>				

#### Program description

Brief summary of the proposed activities. WHY should DG East develop/support this activity? What is the problem which this activity seeks to address/resolve? What is your key evidence that this problem needs to be addressed/resolved? This should include who the key beneficiaries are. How do your proposed activities help address/resolve the problem?

**What is the mission of your organization** and why is your organization appropriate to implement this activity? Do you plan to collaborate with other partners in this activity?

#### Project outline

WHAT will be the outputs of the activity? Describe the activities to be conducted, brief implementation plan (based on the table below). Please briefly describe your planned communications and/or outreach support to maximize participation in, awareness and impact of the proposed activity

<i>No</i>	<i>Project Activities</i>	<i>Term of realization</i>	<i>Personnel involved</i>	<i>Collaboration with local authorities and/or other NGOs</i>
1.				
2.				
3.				

#### Monitoring and Evaluation

WHAT, in your view, is the measure of success (indicators or intended outcomes) for this activity? Including how your organization plans to ensure that the project activities continue after the project completion.

WHERE: What is the strategic value of the targeted community/town/oblast (relative to other areas)?

#### Gender and Socially Inclusive Programming

Describe your approach to ensure proposed activities include a gender component and represent a strong commitment to women as beneficiaries and the proposed activities are committed to and accommodate for inclusion of marginalized, vulnerable or isolated groups.

**Proposed Budget**

Please complete the table below giving the estimated costs of the project in Ukrainian Hryvnia (UAH):

<b>Cost categories</b>	<b>Total (UAH)</b>
I. Labor (Grantee Staff and Short-Term Consultants)	<b>0,00</b>
II. Relevant Taxes	<b>0,00</b>
III. Travel, Lodging and Per Diem	<b>0,00</b>
IV. Equipment (procurement)	<b>0,00</b>
V. Other direct expenses (training and other event expenses, informational/promotional materials, etc.)	<b>0,00</b>
<i>[Add more rows as needed.]</i>	
<b>Total Estimated Costs (UAH):</b>	<b>0,00</b>

Please note that, should the Applicant Concept Paper be selected, a more detailed budget will be required as part of the full grant negotiation process.

<b>FOR PROJECT USE ONLY</b>
Date received _____
The undersigned hereby certifies that: (a) the prospective grantee has received an official delivery receipt for its <i>Grant Concept</i> , (b) a copy of that receipt has been filed, (c) a reference number has been assigned, and (d) a grant application file has been opened. In addition, the prospective grantee has been advised as to the review and appraisal process, and its primary project point of contact.
Name, Grants Manager _____ Date _____