REGIONAL OFFICE OF ACQUISITION & ASSISTANCE

Issue Date:	March 13, 2020
Closing Date:	March 12, 2021
Subject:	USAID/Peru – Peru New Partnerships and Private Sector Engagement Initiative - Notice of Funding Opportunity/Annual Program Statement Number 72052720APS00001
Program Title:	Peru New Partnerships and Private Sector Engagement Initiative

The United States Agency for International Development in Peru (USAID/Peru) seeks applications from non- and for-profit organizations to participate in USAID/Peru's New Partnerships and Private Sector Engagement Initiative - Notice of Funding Opportunity (NOFO)/ Annual Program Statement (APS). We are also seeking information from entities who may wish to help us assist these organizations with financial or in-kind support.

Peru New Partnerships and Private Sector Engagement Initiative seeks to engage the private and civil sectors in priority areas, as defined by the Government of Peru (GoP) and the United States Government (USG). Peru New Partnerships and Private Sector Engagement Initiative is designed to increase the sustainability and impact in the following areas: Alternative Development (AD), Environmental & Sustainable Growth (ESG), Governance and Institutional Strengthening (GIS), and Venezuelan Migration Response as outlined in Section H - Other Information, A - Program Funding Areas. USAID/Peru is interested in providing both financial, and/or non-financial support in these areas.

For entities who wish to seek funding (Implementing Partners), this NOFO/APS requires a 2-page concept paper and matching funds. It is desirable that there be at least a 1:1 match (for every $1 of USAID money, there is a match of $1 of outside funding) of the overall cost of the activity (matches of less than 1:1 will be reviewed on a case by case basis).

For entities who wish to provide funding (Resource Partners) please review the "Getting Started" section - Resource Partners).

Interested organizations must read this document in its entirety and follow the instructions to become involved in this NOFO/APS.

Please note the following definitions:

1. **Resource Partner** - non-profit or for-profit organization who will contribute resources
2. **Implementing Partner** - non-profit or for-profit organization who requests to receive resources
3. **Resource/Implementing Partner** - non-profit or for-profit organization who contributes and receives resources.

Questions about this NOFO/APS can be submitted by email to: limasolicitations@usaid.gov . Questions will be responded to in a timely manner, which could include waiting quarterly until there are sufficient questions and responses. All responses to questions will be posted as an amendment to this NOFO/APS. Depending on the response, USAID/Peru may make multiple awards or, if there are not sufficiently suitable awards, none.

This is an exciting opportunity to make a difference and I sincerely thank you for your interest in Peru New Partnerships and Private Sector Engagement Initiative. We look forward to working with you!

Sincerely,

G. Michael Junge
Agreement Officer
USAID/Peru

Peru New Partnerships and Private Sector Engagement Initiative

72052720APS00001

Issue Date: March 13, 2020
Closing Date: March 12, 2021

Contents

SECTION A: PROGRAM DESCRIPTION

This Notice of Funding Opportunity (NOFO)/Annual Program Statement (APS) is authorized in accordance with the Foreign Assistance Act of 1961, as amended, and is intended to increase the sustainability and impact of USAID/Peru's development assistance through private sector and related partnerships in the following areas:

1. Alternative Development (AD)
2. Environmental and Sustainable Growth (ESG)
3. Governance and Institutional Strengthening (GIS)
4. Venezuelan Migration Response

These areas are further elaborated in Section H - Other Information, A - Program Funding Areas.

Background

USAID/Peru is committed to supporting Peruvian leadership by prioritizing programs that incentivize reforms, strengthen country capacity, and mobilize domestic resources. "External development aid is more likely to catalyze sustained development processes when they reinforce a country's internally determined development priorities (country ownership) and arrangements (local systems) (*Source*: https://www.usaid.gov/sites/default/files/documents/1870/LocalSystemsFramework.pdf). This frames the need for Local Ownership. Furthermore, for results to sustain, one needs to engage the local system as a whole - government, civil society, and the private sector - with a focus on the local actors, their interrelationship and the incentives that guide them (*Ibid.*, p. 4). Local ownership and local systems are the foundation for sustainable development and hence, self-reliance.

To advance strategic transition and new models of bilateral engagement, spur innovation, and align with the private and civil sector's interests and opportunities, USAID/Peru is launching Peru New Partnerships and Private Sector Engagement Initiative. Experience has shown that engaging the private and civil sectors can be a force multiplier for transformational change. These sectors bring expertise, markets, assets, and innovation. Furthermore, the flow of potential partner resources far surpasses the level of official development assistance dollars. It is not just about dollars though, local actors can help solve critical development problems and promote effective, sustainable development through market-led solutions or public pathways with the desired goal that through Peru New Partnerships and Private Sector Engagement Initiative, links will be created between the private sector and development partners which will continue once USAID funding ends. Recognizing and capitalizing on these opportunities, Peru New Partnerships and Private Sector Engagement Initiative will catalyze, facilitate, and support such collaboration.

Peru New Partnerships and Private Sector Engagement Initiative provide a non-traditional approach for achieving these objectives. Within this context, USAID/Peru will prioritize private and civil sector-driven solutions, multi-stakeholder partnerships for shared value, and innovation. USAID/Peru encourages forging partnerships that promote collaboration with the private and civil sector in joint definition of development challenges; identification of the most promising, impactful solutions; and, mutual contribution of resources. Focus is placed on local solutions that bring multiple stakeholders to the table to collaborate and systemically change the way assistance is transacted and results are achieved in order to build a sustainable model which will hopefully continue well into the future. Ideally, solutions will involve building the capacity of the Government of Peru (GoP) so that the GoP will be able to tackle development problems as they arise.

USAID defines innovations as those interventions that introduce novel business or organizational models, operational or production processes; financing; or products or services that lead to dramatic improvements (not incremental) in addressing development challenges. Innovation may incorporate science and technology, but this integration is not required. Innovation should help produce significant development outcomes more effectively and sustainably in a way that reaches more beneficiaries in a shorter period. As relevant, Peru New Partnerships and Private Sector Engagement Initiative may focus on identifying, testing, sharing, and scaling such game-changing interventions.

An Invitation for Co-Creation and Impact

Peru New Partnerships and Private Sector Engagement Initiative is USAID/Peru's invitation to the private and civil sectors to work with USAID as **Resource Partners** to determine how our respective interests and objectives align and jointly identify and define problems, challenges, and opportunities that can most effectively be addressed by working together. Peru New Partnerships and Private Sector Engagement Initiative also provides a process through which USAID, the private sector, and other prospective partners can jointly examine and leverage our respective expertise, resources, and capabilities to scope, develop, and implement effective solutions to the problems and challenges identified. As referenced earlier, mobilizing domestic public and private resources, especially from the private and civil sectors, is a priority of Peru New Partnerships and Private Sector Engagement Initiative. These partnerships help achieve core objectives in ways that could not be done alone. By engaging with these sectors, USAID hopes to increase the reach, efficiency, effectiveness, and sustainable impact of development investments and, as relevant, advance market-based solutions, as well as public pathways for scale.

Peru New Partnerships and Private Sector Engagement Initiative is also USAID/Peru's invitation to prospective **Implementing Partners** (*e.g.* NGOs, private sector concerns, and others) to engage and work with Resource Partners (*e.g.* corporations, local businesses, foundations, and others). USAID/Peru is specifically seeking implementing organizations (for-profit and not-for-profit) and non-traditional development partners to reach out to Resource Partners and explore ways in which collaboration with USAID/Peru might help each partner – private sector, NGO, and public sector contributors – to more effectively address key issues, advance shared development goals, and achieve exceptional development results and impacts in Peru.

By inviting private and civil sector resource partners, prospective implementers, and other public sector contributors to identify ways we can collaborate, USAID/Peru seeks to foster a diverse array of high impact partnerships to obtain significant results.

Many successful partnerships are grounded at the intersection between core business and shared interests, and one or more of USAID/Peru's development objectives. To determine the intersection of business and philanthropic interests with USAID's development goals, USAID encourages prospective partners to study information available online about USAID's development objectives which includes USAID/Peru's Country Development Cooperation Strategies https://www.usaid.gov/peru/cdcs .This document will soon be updated. Once it is updated, a link will be provided in a Question and Answer update. USAID will encourage extensive communications with prospective partners during the full design phase, once a concept paper has received a positive response from USAID.

Getting Started

The most promising partnerships emerge from a solid understanding of Government of Peru priorities, private sector interests, civil society considerations, and USAID's development objectives.

Resource Partner: Resource Partners must read this requirement in its entirety. If you are a Resource Partner who is interested in Peru New Partnerships and Private Sector Engagement Initiative but do not have an implementer to work with, please contact LIMAPSE@usaid.gov with information on your sector(s) of interest and desired outcomes. This email address is only for interested Resource Partners, in other words, those entities who are willing to contribute funds or in-kind resources.

Implementing Partners: If your organization would like to work with USAID/Peru and a Resource Partner to jointly solve development challenges, start with these steps:

- Follow the guidance in this NOFO;
- Review USAID/Peru's development objectives and priorities as outlined in Section H - Other Information, A - Program Funding Areas.
- Identify and begin to engage prospective Resource Partners to understand their interests and priorities and explore potential alliance ideas; and
- Connect the Resource Partner(s) with USAID as soon as possible (only the Resource Partner should use LIMAPSE@usaid.gov).
- When you write your concept paper, clearly demonstrate what you envision the partnership you will have with the Resource Partner will be, i.e what are their interests in your partnership?

What is the new Peru New Partnerships and Private Sector Engagement Initiative:

Peru New Partnerships and Private Sector Engagement Initiative is a public-private sector collaboration leading to sustained, measurable improvements in development outcomes. Within this context, USAID/Peru welcomes innovation and creative ideas that can be rigorously tested, shared, and potentially scaled in Peru. Partnerships may include non-Peruvian entities that have expertise not available in Peru to support the implementer. Through Peru New Partnerships and Private Sector Engagement Initiative, USAID/Peru is open to considering a wide range of approaches in order to achieve its development objectives. It is understood that all partners will share risks and responsibilities.

Awards under Peru New Partnerships and Private Sector Engagement Initiative may be structured in a variety of different ways.

In what areas is USAID/Peru seeking to form partnerships?

Partnerships developed under this Peru New Partnerships and Private Sector Engagement Initiative must contribute to achieving one or more of USAID/Peru's core development objectives (see Section H - Other Information, A - Program Funding Areas):

What are the basic requirements of a Strategic Alliance?

Strategic Partnerships must engage the civil or private sector, aligning interests and opportunities, and bringing ideas, innovations, experience, or expertise to realize solutions. Ideally, partnerships should bring at least a 1:1 ratio of private sector resources with a minimum 50% of the private sector resources in cash (lower ratios are possible but might not be as competitive).

Accordingly, an ideal partnership will:

- Ally a range of actors, with, as relevant, a backbone organization, around one of the focus areas (Section H - Other Information, A - Program Funding Areas);
- Define a measurable development impact;
- Ideally include leverage of 1:1 contribution of new, non-USG resources;
- Have an initial period of performance of no more than 60 months; and
- If focused on innovation, follow the stages of venture financing with proof of concept, commercialization and scale based on evidence-based monitoring and evaluation.

A. <u>Funding Priorities</u>

Please see Section H - Other Information, A - Program Funding Areas.

B. What is the evaluation process?

USAID/Peru has outlined the process for submission, evaluation, development, and selection of concept papers throughout Peru New Partnerships and Private Sector Engagement Initiative, specifically in Section D.

SECTION B: FEDERAL AWARD INFORMATION

A. Estimate of Funds Available and Number of Awards Contemplated

The total amount of funding to be awarded will depend on the variety and quality of the concepts USAID/Peru receives but is estimated at approximately $20 million US Dollars with an envisioned approximately 5-10 individual awards. USAID/Peru reserves the right to fund any, or none, of the concept papers submitted.

Concept Papers should have a request of at least US$250,000. This includes both USAID funding and the match by the Resource Partner. However, it is not always true that more funding achieves better results; therefore USAID reserves the right to fund concepts that fall below this amount.

B. Start Date and Period of Performance for Federal Awards

Applications must state a period of performance. The period of performance must be 60 months or less. USAID/Peru anticipates making first awards by approximately late July/early August 2020.

C. Type of Award

Subject to funding availability, USAID/Peru may make multiple awards. Various award types are possible (Cooperative Agreements, Grants, Program Contributions). Award type will be discussed once the concept paper is accepted. Assistance awards cannot include profit. Due to the nature of the collaboration implicit in Peru New Partnerships and Private Sector Engagement Initiative, USAID/Peru expects under Assistance that for the most part, Cooperative Agreements will be used which will include substantial involvement such as approval of Implementation Plans, Key Personnel, and Agency and Recipient Collaboration or Joint Participation. The actual award type or engagement will depend upon the most appropriate mechanism or approach for the intended results.

[END OF SECTION B]

SECTION C: ELIGIBILITY INFORMATION

A. Eligible Applicants

USAID/Peru is targeting both potential **Resource Partners** and **Implementing Partners or a combination of the two** for Peru New Partnerships and Private Sector Engagement Initiative.

- **Resource Partners** can be either U.S. or non-U.S. private sector businesses, foundations, financial institutions, entrepreneurs, investors, philanthropists and others who can identify and suggest ways to use their financial or other resources to collaborate with USAID/Peru.

- **Implementing Partners** are non-governmental or private sector entities (for-and non-profit) that can engage and work with Resource Partners. Implementing Partners may provide the leverage themselves (which cannot include USG funding from other sources) but the preference is that they secure outside funding from a Resource Partner for the projects they are proposing to implement.

  Implementing Partners applying for USAID funding must fall under the definition of USAID's New Partner Initiative, i.e. they must be either a "**New Partner":** An individual or organization that has not received any funding from USAID as a prime partner over the last five years, or they must be an "**Underutilized Partner":** An organization that has received less than $25 million in direct or indirect awards from USAID over the past five years.

USAID/Peru in particular is interested in working with Resource Partners from the private and civil sector that will mobilize domestic resources for development. This includes non-traditional development partners such as private businesses, business and trade associations, foundations, and financial institutions in addition to non-profit NGOs and for-profit development firms as well as private education institutions.

Concept papers must follow all instructions in this NOFO/APS and should address the Merit Review criteria in Section E.

A. Leveraging

USAID/Peru looks to develop strategic Partnerships where the relationship between business interests and development objectives provides a promising opportunity for:

- the civil and private sector to leverage USAID's objectives, assets and expertise to address key challenges and opportunities; and

> **Leveraging**
> USAID defines leveraging as "significant resource mobilization. In the case of public-private partnership, USAID desires the mobilization of resources of other actors on a 1:1 or greater basis. Resources may include funds, in-kind contributions, and intellectual property."

- USAID to leverage private sector interests, assets, expertise, innovative financing, and markets in a manner that fosters or accelerates sustainable and transformational development impact.

Under Peru New Partnerships and Private Sector Engagement Initiative, the preference is that there be a 1:1 match (for every dollar that USAID provides, the implementer finds a matching dollar) with 50% of that in cash (that said, USAID/Peru will consider lessor matches but they may not be as competitive).

[END OF SECTION C]

SECTION D: APPLICATION AND SUBMISSION INFORMATION

A. Agency Point of Contact

Mr. G. Michael Junge, Agreement Officer via e-mail at gjunge@usaid.gov (only for specific concerns about this solicitation - not for general questions).

For questions regarding Peru New Partnerships and Private Sector Engagement Initiative, please send via e-mail to the limasolicitations@usaid.gov . The subject line must state "Questions Peru New Partnerships and Private Sector Engagement Initiative and this NOFO/APS number 72052720APS00001.Questions can be submitted at any time during which the Peru New Partnerships and Private Sector Engagement Initiative is active but response will be provided as an amendment to this NOFO only when there are a sufficient number of questions, or a question is particularly important to understanding the NOFO.

Concept Paper submissions must also be submitted to limasolicitations@usaid.gov . In the subject line you must include the NOFO number 72052720APS00001, name of organization requesting funding, and which of USAID/Peru's Development Objective (s) you will be addressing:

1. Alternative Development (AD)
2. Environmental and Sustainable Growth (ESG)
3. Governance and Institutional Strengthening (GIS)
4. Venezuelan Migration Response

B. Application Process For Implementers Seeking Funding

USAID/Peru will use the following process:

Phase 1: Concept Paper submission.

A Concept Paper is a short (2 pages maximum) document wherein the Applicant provides an overview of their idea. USAID/Peru has provided a template in Section C below. The Concept Paper must be accompanied by letter(s) of support from the potential Resource Partners (not included in the 2 page limit), including a description of the resource partner's interest and role in the alliance and the contributions (monetary or in-kind) each resource partner will make to the activity.

Applicants may submit a Concept Paper at any time while the Peru New Partnerships and Private Sector Engagement Initiative is active. The initial review of Concept Papers will take place on April 30, 2020. After that, USAID/Peru will meet the first week of every quarter to review any Concept Papers that have been received - although USAID/Peru reserves the right to review Concept Papers earlier should there be a Concept of particular interest or should there be a sufficient number of Concept Papers. USAID/Peru will meet to review Concept Papers against merit review criteria and make Concept Paper selection decisions within 30 days of the Concept Paper review. USAID/Peru may meet, at its sole discretion, with the proposed Resource Partners to understand their role in the alliance.

USAID/Peru anticipates two possible results from the Concept Paper merit review process:

1. Conditional Acceptance whereby competition requirements have been met - Invitation for Co-Design: Concept Paper meets Peru New Partnerships and Private Sector Engagement Initiative objectives and receives sufficient ratings against the merit review criteria. USAID/Peru invites the Applicant to engage in Co-Design to address any uncertainties identified by USAID/Peru in its Invitation for Co-Design letter to the Applicant. More detailed instructions on how to proceed will be provided at this time.

2. Concept Paper receives a low rating against the merit review criteria or does not meet the Peru New Partnerships and Private Sector Engagement Initiative objectives: A decision to not proceed with further consideration of the alliance proposed in the Concept Paper.

Phase 2: Co-Design of Activity

Upon receipt of the Invitation for Co-Design letter, competition has been met and the Applicant will continue the design process working with USAID's guidance. During this phase, Applicants will work with USAID design teams to develop a clearer understanding of the activity. During this co-design process USAID staff will also help to ensure that USAID activity requirements such as environmental compliance and gender integration, among others are considered. If an Applicant fails at any point in the Co-Design phase, the process will end for that Applicant.

Reasons why an Applicant may be unsuccessful at the co-design/full application phase could be:

- After discussions, the detailed program does not satisfy the criteria of Peru New Partnerships and Private Sector Engagement Initiative does not match the original Concept idea as submitted;
- A Resource Partner drops out or does not materialize and there is no longer as strong of a resource match;
- The Applicant cannot provide evidence that it is a legal entity capable of operating in Peru; or
- USAID/Peru has other concerns after conducting due diligence or pre-award surveys.

USAID/Peru reserves the right not to make an award at any stage of the process.

C. <u>Concept Paper Application Content</u>

Concept Papers can be in English or Spanish. They must be submitted electronically via e-mail in Word. Concept Papers must not exceed two (2) pages, using standard page margins with 12pt Arial font. Applicants must follow the format below. Clarity and specificity are important, as is ensuring that the Concept Paper narrative addresses the points USAID/Peru will use to review the Concept Paper (see Section E Merit Review Criteria). USAID/Peru will reject Concept Papers that are vague or merely restate Peru New Partnerships and Private Sector Engagement Initiative language. Applicants must include letters of support from potential Resource Partners which demonstrate the Resource Partner's interest in the activity as annexes.

Sample Concept Paper Outline

Section 1: Program and Contact Information (information for Section 1 can be a cover page which does not count towards the two-page limit)

- USAID/Peru's Development Objective (s) to be addressed
- Applicant's Organization Name and Address
- Applicant's Organization Contact Person (name, title, email, telephone number of the person who can legally sign the award)
- Type of Organization (*e.g.*, US, non-US, multilateral, governmental, private, for-profit, non-profit, date of incorporation, *etc.*)
- Name(s) and Contact Information of possible Partner(s). Applicants that are Implementing Partners will name Resource Partner(s) here; and Resource Partners will list Implementing Partner(s) (if any) here.
- Estimated total amount - specify USAID request funding verses what the Resource Partner will contribute (differentiate between cash and in-kind contributions).
- Estimated start and end dates.

Section 2: Development Problem to Be Addressed (This section should be no more than one half to three quarters of a page)

- What is the development problem to be addressed? A ONE sentence statement of the development problem. An example would be "The Government of Peru does not have the ability to track legal versus illegal logging".
- Recent/relevant history of the problem and any attempts to solve it. Only provide background information that is relevant to the specific problem you are trying to address and not a general background of the entire history of the problem.
- Who else is trying to solve the problem now? Who "owns" the problem? Why should USAID be involved?

Section 3: Description: Purpose, Theory of Change, Outcome Measures (This section should be the majority of the two pages)

- Describe what it is that you hope to accomplish with this award? You should include what will be the relationship of the Resource partner and why they are interested?
- Theory of Change (https://usaidlearninglab.org/library/theories-change). This is limited to one sentence and be in the format – **IF** (X,Yor Z happens), **THEN**, (X,Y, or Z will happen).
- Geographic location (department, province, district) of the proposed solution
- If you have space, include a summary of the expected Outcomes (projected magnitude of change; baselines and targets)

Section 4: Preliminary Budget Estimate (not included as part of the two-page limit)

- Budget: This Budget Estimate is not included as part of the 2-page limit. At a minimum the budget must state an estimate of how much in US funds are being requested, and how the resource partner will contribute to the project.

Section 5: Leverage Partners (not included as part of the two page limit)

Please provide letters of commitment from the Resource Partners. These do not have to be in final form but should indicate that the Resource Partner has stated that they will be willing to commit cash or in-kind contributions should the implementer receive an award. Each commitment letter must also have a supplemental memo not to exceed one page for each commitment (not included in the two-page limit) with the following information:

a) Potential partner Name (include the point of contact);
b) Interest of the Partner (why are they interested in investing in this activity);
c) Interest of USAID (what is the development impact);
d) Leverage Type (in-kind, expertise, cash, etc.);
e) Level of Contribution (quantifiable amount); and
f) Description of Partnership.

Section 5: Additional Requirements (not included as part of the two-page limit)

* Dun and Bradstreet Universal Numbering System (DUNS) Number and System for Award Management (SAM) https://www.sam.gov/SAM/ (registration is always free - do not use websites that charge a fee to register): Applicants are required to:

(i) Be registered in SAM before submitting its application.
(ii) Provide a valid DUNS number in its application; and
(iii) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency.

No awards will be made until the applicant has complied with all applicable DUNS and SAM requirements and, if an applicant has not fully complied with the requirements by the time the Federal awarding agency is ready to make a Federal award, the Federal awarding agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

The applicant must meet other Peruvian regulation requirements to receive grant funds, such as registration with the Peruvian Agency for International Cooperation APCI (www.apci.gob.pe) and/or registration with the Peruvian Tax Authority SUNAT (www.sunat.gob.pe).

SECTION E: APPLICATION REVIEW INFORMATION

A. Merit Review Criteria

USAID/Peru will review all Concept Paper applications that comply with the instructions in this NOFO/APS. USAID/Peru will use the following merit review elements, which are of equal importance (each sub-review element in the third column are of equal sub-importance.

	Merit Review Element	Definition
USAID/Peru will review each Concept Paper and evaluate it to the degree it meets the criteria at the right:	**Development Approach**	(1) Applicant interventions must directly support one or more of our Development Objectives: Alternative Development (AD), Environmental and Sustainable Growth (ESG), Governance and Institutional Strengthening (GIS), and Venezuelan Migration Response 2) A sound understanding of the problem. 3) Clearly articulated outcomes and a theory of change for achieving them. 4) Innovation (as relevant) - proof, commercialize and scale; needs clear M&E.
	Partnerships	1) Civil/private sector engagement - relevance, expertise, experience, resources, innovations, and assets. 2) Ability for the funding source to continue intervention after USAID funding ends.

[END OF SECTION E]

SECTION F: FEDERAL AWARD ADMINISTRATION INFORMATION

A. Federal Award Notices: USAID/Peru cannot make awards under this NOFO/APS until it has appropriated, allocated, and committed funds through internal USAID procedures. While USAID/Peru anticipates successfully completing these procedures, potential Applicants are notified of these requirements and conditions. The Agreement Officer (AO) is the only individual who can legally commit USAID to the expenditure of public funds. Applicants are prohibited from charging or incurring costs to the proposed award prior to receipt of either a fully executed award or a specific, written authorization from the AO.

B. Due to the nature of the collaboration implicit in Peru New Partnerships and Private Sector Engagement Initiative awards, USAID/Peru believes that Cooperative Agreements (in which substantial involvement will include approval of Implementation Plans, Key Personnel, and Agency and Recipient Collaboration or Joint Participation) will likely be the primary vehicle for this initiative, but the actual award type or engagement will depend upon the most appropriate mechanism or approach for the intended results. Each award will be individually negotiated.

C. Awards will include all USG regulatory requirements including Mandatory and any As Applicable provisions (https://www.usaid.gov/sites/default/files/documents/1868/303mab.pdf). New applicants will require a Non-U.S. Organization Pre-Award Survey and results may require Specific Conditions placed on the award https://www.usaid.gov/sites/default/files/documents/1868/303Peru Alliances.pdf . Each award will be individually negotiated.

[END OF SECTION F]

SECTION G: FEDERAL AWARDING AGENCY CONTACTS

The Agreement Officer for this APS is:

G. Michael Junge
Regional Agreement Officer
Regional Acquisition and Assistance Office (ROAA)
USAID/Peru
Av. La Encalada s/n, cdra. 17
Monterrico, Lima 33 Peru
Tel: 51-1-618-1435
gjunge@usaid.gov

SECTION H: OTHER INFORMATION

A – PROGRAM FUNDING AREAS

ALTERNATIVE DEVELOPMENT (AD)

Problem Statement:

Private and public sector resources do not adequately reach post-eradication areas to sustain economic growth and development.

Background:

Since 2013, USAID's Alternative Development (AD) assistance in Peru, combined with USG support for eradication and other joint GOP-USG law enforcement efforts, has helped the country to substantially reduce coca cultivation, and subsequently cocaine production. Peru's economic growth in the last 15 years has increased the GOP's public revenue. This has enabled the GOP to now fund approximately 60% of national AD efforts and 75% of coca eradication operations. Yet, public resources do not effectively reach rural, isolated communities in areas such as the VRAEM, an illicit coca stronghold with a long-time presence of the narco-terrorist group, Shining Path. Here and in other areas, poverty – underpinned by insecurity, isolation, and inadequate state presence – provides fertile ground for coca cultivation.

While the GOP has substantially increased its own resources to reduce coca in priority post-eradication regions, there is much that can be done with civil society and the private sector to help assist development partners in the work that they do. By building these synergies between civil and private sectors, this will lead to mutually beneficial outcomes.

Illustrative examples of the type of activities to be advanced through these potential new AD Peru New Partnerships and Private Sector Engagement Initiative include:

1. Partnering with key buyers, exporters and processors of coffee, cacao and other agroforestry system based products (i.e. timber, plantains, fruits) in Peru to develop and ***invest in new and innovative associative business models to produce and aggregate large volumes of high-quality cacao, coffee and other agroforestry system based products for value added national and international markets;*** including innovative application of information technology in these supply chain to increase product traceability, reduce transaction costs and add additional value by linking new information to product brand and willing to promote inclusive and environmentally sustainable practices,

2. Partnering with banks, credit unions and/or other financial services companies to identify, develop and implement new business models and financial products to ***increase the access of small and medium businesses, including farmers and producer associations, to new, innovative financial services*** (i.e. credit, equity, insurance, etc.); including innovative application of information technology

in these services to reduce transaction costs, make services more widely available and reduce risk.

3. Partnering with entities interested in ***facilitating the growth of local small businesses by fostering creativity, innovation and entrepreneurship, as well as formalization, access to finance and product and market development.*** This would include, but not be limited to, support for women and youth owned businesses; including innovative application of information technology to facilitate access to finance, markets and services.

4. Partnering with relevant Government of Peru entities (e.g. DEVIDA, the Ministry of Economy and Finance (MEF), regional/municipal governments) to ***catalyze increased, more effective public investment in delivery of basic public goods and services in priority post-eradication regions, including but not limited to: health, education, roads, other infrastructure, sanitation, as well as productive/business capacity building;*** including innovative application of information technology to increase transparency, reduce transaction costs and risks.

Theory of Change:

If the civil and the private sector partners with development entities to strengthen licit economies through financial and non-financial services and other enabling conditions, **then** communities and families can earn a licit living to leave coca cultivation behind and Peru will sustain illicit coca reduction.

Purpose Statement:

USAID will leverage private sector investments to establish and expand licit value chains, as well as financial and telecommunications services required to galvanize local economies. Competitive digital connectivity through increased private sector interventions and offerings will form a key effort complementing and supporting the GOP's role in expanding effective provision of much needed public goods and services. USAID looks to DEVIDA's leadership to coordinate services and investment from a variety of public and private actors and guide GOP investment in priority regions to eliminate conditions that allow illicit coca cultivation.

Geographic Scope:

Concept Papers for Alternative Development focused partnerships ***must be*** geographically focused on one or more of the following specific districts.

AD Provinces and Districts:

Cusco: Pichari, Anchihuay.
Huánuco: Monzón, Chinchao, Churubamba, San Pablo de Pillao, Castillo Grande, Daniel Alomía Robles, Hermilio Valdizán, José Crespo y Castillo, Mariano Damaso Beraun, Felipe Padre Luyando, Pucayacu, Pueblo Nuevo, Rupa-Rupa, Santo Domingo

de Anda, Cholón, La Morada, Santa Rosa de Alto Yanajanca, Chaglla, Codo del Pozuzo, Honoria, Puerto Inca, Tournavista, Yuyapichis
Junín: Mazamari, Pangoa, Río Tambo
Pasco: Constitución, Palcazú, Puerto Bermúdez
Puno: San Gabán
San Martín: Nuevo Progreso, Pólvora, Shunte, Tocache, Uchiza
Ucayali: Raymondi, Sepahua, Callería, Campo Verde, Iparia, Manantay, Masisea, Nueva Requena, Yarinacocha, Alexander Von Humboldt, Curimaná, Irazola, Neshuya, Padre Abad

ENVIORNMENT AND SUSTAINABLE GROWTH (ESG)

The public and private sectors do not effectively work together to manage natural resources while creating and expanding economic and social benefits in Peru.

Background:

Public-Private Partnerships (PPP) in bioeconomy and the forest sector have been promoted through isolated initiatives limited in time and scale. As Amazonian fruits, nuts, non-timber forest products (NTFP) and ecosystem services as a product become better known, the challenge is to find innovative pathways for sustainable use, marketing, and scalability. In other environmental sectors such as fisheries and waste management (artisanal and industrial scale), additional barriers exist that market solutions may be able to address in part.

Specific examples of how communities, government and the private sector can come together to jointly expand economic and social benefits in Peru and models for scalability, are being tested through two current Global Development Alliances. USAID continues to look for opportunities and partners to build on these Alliances and expand into other areas whereby private sector, innovative financing, and development objectives coincide to generate new innovative solutions in order to progressively unlock public funds and align them to private investments, as part of Peru's journey to self-reliance.

Peru is rich in natural resources and there are ample opportunities for sustainable development that balance business incentives with sustainability goals. USAID seeks interested parties that can bring private financial resources from new private sector and investment partners (including opportunities to leverage public sector), and other market-based solutions that bring development partners together in new ways.

Illustrative examples of the type of activities to be advanced through Peru New Partnerships and Private Sector Engagement Initiative include:

1. Partnering with industry partners, public sector entities, and communities to improve sustainability (social and environmental safeguards) and incorporating ***innovative business models that use new technologies to avoid negative impacts on communities and natural resources and ecosystems.*** *An emphasis on best social and* ***environmental*** *management practices and concepts that lead with a joint approach to ensure free and prior consent in Indigenous territories and that promote a pro-social approach will be of interest. Additionally, identifying business opportunities that ensure profit sharing with community stakeholder* ***partners around sustainability goals is highly desirable.***
2. Partnering with banks, credit unions and/or other financial services companies to identify, develop and implement new business models and financial products such as green bonds and other nature-conserving blended financial instruments and schemes that promote the use of payment for ecosystem services as another producer product of interest to investors. (i.e. credit, equity, insurance, guarantees, etc.); including innovative application of information technology in these services to reduce transaction costs, make services more widely available and reduce risk.
3. Partnering with entities interested in ***facilitating the growth of local small businesses by fostering creativity, innovation and entrepreneurship, as well as formalization, access to finance and product and market development.*** This

would include, but not be limited to, support for indigenous and native communities, women and youth owned businesses; including innovative application of information technology to facilitate access to finance, markets and services.

4. Partnering with relevant Government of Peru entities (e.g. the Ministry of Economy and Finance, other related sectors as Agriculture, Production, COFIDE, regional/municipal governments) to improve Public Investment Projects (PIPs) formulation capacity and ***catalyze increased public capacity to mobilize public funds through existing national programs (e.g. Procompite, Agrorural, Foniprel, others), and more effective public investment in delivery of basic public goods and services, including but not limited to: health, education, roads, other infrastructure, sanitation, as well as productive/business capacity building;*** including innovative application of information technology to increase transparency, reduce transaction costs and risks that can provide a direct link to improving Environmental Sustainability.

Theory of Change:

If the civil and private sectors partner with development entities to tackle Environmental Sustainability issues resulting in mutually beneficial outcomes, and **If** investments scale up upon proven environmentally sustainable businesses, and if public and private favorable enabling conditions are improved for the growth and emergence of environmentally sustainable businesses, **then** advance in natural resource-based businesses pursuing economic growth environmentally sustainable will be achieved, emissions from deforestation and land use will be reduced, and public and private sector investment will increase, thus leading to greater stewardship of the environment.

Purpose Statement:

USAID will leverage private sector investments through a number of different platforms that could seek specialization and prioritize indigenous entrepreneurships, extractive industries funds, social and environmental impact funds, forestry sector companies, green commodities based businesses, circular economy, climate smart agroforestry systems, business conservation enterprises, regional funds and others to catalyze and expand licit value chains which will lead to greater environmental financial sustainability and scalability

GOVERNANCE AND INSTITUTIONAL STRENGTHENING (GIS)

Problem Statement:

There is insufficient civil and private sector collaboration that can tangibly increase public integrity and/or reduce corruption, while also addressing social inclusion issues; particularly LGBTIQ and gender-based violence (GBV), and other vulnerable populations.

Background:

Tolerance of corrupt practices and a culture of discrimination against women and minorities is still engrained in Peru, hampering the country's path to an effectively governed, modern state.

Although moderately highly ranked on macroeconomic metrics, high-visibility corruption cases have taken a toll on Peru's political stability and investment climate. Political will from the current Executive has built strong momentum in the fight against corruption but has resulted in tense confrontations with Congress. A volatile political climate can slow the execution of the public budget which in turn could discourage private investment. Public integrity, the consistent adherence to shared ethical values, principles, norms and systems that prioritize public interest over individual and private interests, is evidenced by a pervasive tolerance to corrupt practices in Peru. Persistent, pervasive corruption and inequalities risks Peru's sustained democratic and economic progress.

There is an opportunity for profit businesses and financial institutions to play an active role to ensure that Peru continues along a trajectory towards a fair, equitable and open business environment. By partnering with development entities, they can actively promote better and more fair business practices and also greater attention to non-discrimination issues (gender equity, GBV, and human and labor rights respect.), and add value to their businesses.

***Illustrative examples of the type of activities to be advanced through these potential new GIS* Peru New Partnerships and Private Sector Engagement Initiative**, include:

1. Partnering with key manufacturers, buyers, exporters and processors of Peruvian based products to ensure that the GOP maintains the highest standards of ethics and transparency in public procurement. Work with implementing entities to ensure the GOP maintains legislation and procurement systems which are advantageous to both the producers, but also to the GOP.

2. Partnering with business associations chamber of commerce at national and regional levels, to implement initiatives to increase private sector integrity compliance standards, and collective action to expand an inclusive integrity culture.

3. Partnering with entities interested in promoting inclusive and transparent business practices in local small businesses by fostering creativity, innovation and entrepreneurship, as well as formalization, access to finance and product and market development. This would include, but not be limited to, support for women and youth

owned businesses, support of Trafficking in Persons survivors; including innovative application of information technology to facilitate access to finance, markets and services, as well as auditors, training, business or leadership consulting services, public opinion. research and think tank organizations.

4. Partnering with relevant Government of Peru entities (e.g. the Ministry of Economy and Finance (MEF), regional/municipal governments) to ***catalyze increased, more effective public investment in delivery of basic public goods and services, including but not limited to: health, education, roads, other infrastructure, sanitation, g;*** including innovative application of information technology to increase transparency, reduce transaction costs and risks that can provide a direct link to improving accountability .

5. Partnering with media associations, conglomerates, infomediaries to enhance a culture of integrity and non-discrimination, as well as social rejection to GBV and TIP through specific programs. These types of partnerships could be monetary or in kind respecting the 1 by 1-dollar criteria

Theory of Change:

If the private sector takes a greater interest to collaborate with civil society and the GOP in taking action to increase Public Integrity and promote an inclusive society, **then** Peru will increase public integrity to more effectively reduce corruption, and will increase awareness on social inclusion issues and affected populations.

Purpose Statement:

USAID will increase citizen and business-led efforts to promote whole-of-society accountability and raising public understanding of the benefits of a culture of integrity and an inclusive society, particularly related to LGBTI and GBV.

VENEZUELAN MIGRATION RESPONSE (VMR)

Problem Statement:

Displaced Venezuelan citizens living outside of Venezuela cannot fully participate in strengthening and developing the host country due to multiple constraints.

Background:

Venezuela is experiencing a man-made political, social, and economic crisis with devastating hyperinflation that has led to severe shortage of food and health care and driven over four million people to flee the country. This outflow of vulnerable Venezuelans is straining the delivery of basic services, infrastructure, and labor markets as well as community relations in Peru and Ecuador. Since 2017, well over 1 million Venezuelans have migrated to Ecuador and Peru. Despite high levels of education relative to host country populations, the overwhelming majority of Venezuelans are working in the informal sector, in unskilled professions. This represents a lost opportunity for both countries as these Venezuelans could significantly contribute to the social and economic development of their host countries.

These Venezuelan citizens face many challenges, from obtaining professional certifications from Venezuela to labor exploitation and xenophobia within the host countries.

***Illustrative examples of the type of activities to be advanced through these potential new VMR* Peru New Partnerships and Private Sector Engagement Initiative, include:**

1. Partnering with key manufacturers, buyers, exporters and processors of Peruvian based products to demonstrate the marketability of displaced Venezuelan citizens.

2. Partnering with entities interested in ***facilitating the growth of local small businesses by fostering creativity, innovation and entrepreneurship, as well as formalization, access to finance and product and market development.*** This would include, but not be limited to, support for women and youth owned businesses; including innovative application of information technology to facilitate access to finance, markets and services.

3. Partnering with relevant Government of Peru entities to ***catalyze increased, more effective public investment in delivery of basic public goods and services, including but not limited to: health, education, roads, other infrastructure, sanitation, as well as productive/business capacity building;*** including innovative application of information technology to increase transparency, reduce transaction costs and risks that can provide a direct link to assisting displaced Venezuelan citizens.

Theory of Change:

If the civil and private sector take an active interest in assisting the displaced Venezuelan citizens to meet all logistic and personal requirements, **then** these displaced Venezuelan citizens will become active and contributing members of the host country.

Purpose Statement:
USAID will increase citizen and business led efforts to allow displaced Venezuelan citizens to become productive members of the host country.

B. Frequently Asked Questions

Question: ***Can an organization submit more than one Concept Paper in response to this solicitation?***

Answer: Yes, but we would prefer Applicants to apply for the area where they see the greatest potential for an impactful alliance.

Question: ***Does a contribution from the Government of Peru (GOP)/public sector count towards the leverage provided by the Resource Partner in the project?***

Answer: Peru New Partnerships and Private Sector Engagement Initiative requires a desired 1:1 civil/private sector match. Public sector resources are also encouraged to realize sustainability, but they are not considered leverage. Exceeding the minimum match, with any resources, may make your application more appealing.

Question: ***What is the minimum USAID award amount?***

Answer: Section A above designates minimum amounts of $250,000 (including both USAID and partner funding). USAID reserves the right to make awards of varying size and, in consultation after the submission and conditional approval of the Concept Paper, to adjust the amount either higher or lower.

Question: ***Does the Applicant have to finalize the alliance before submitting a Concept Paper?***

Answer: Civil/private sector resource commitments must be clear as to the assistance that they will provide. While the Applicant does not have to finalize the alliance between non-USAID partners prior to submitting a Concept Paper, USAID/Peru will evaluate the level of partner engagement and commitment as part of the merit review criteria. Letters of support, intent or commitment from prospective Resource Partners are valuable indicators of such commitment as are draft MOUs that describe the roles, responsibilities, and contributions of each of the alliance partners as well as their interest in the alliance.

[END OF SECTION H]