



USAID
FROM THE AMERICAN PEOPLE

USAID AND DIASPORAS PARTNERSHIP TOOLKIT



As the foreign assistance and development arm of the U.S. government, the U.S. Agency for International Development (USAID) works to end extreme global poverty and enable resilient, democratic societies to realize their potential in over 100 countries worldwide.

Recognizing that no one organization or sector alone can solve the world's most intractable development challenges, USAID proactively seeks to build partnerships that leverage the combined skills, assets, technologies and resources of the public, private and nonprofit sectors to deliver sustainable development impact. USAID works with a variety of partners—including host country governments, global and local businesses, universities, non-governmental agencies, and diaspora groups—to find new solutions to global challenges.

USAID and Diasporas

Diaspora communities and organizations are increasingly important stakeholders and partners in USAID's development efforts. Diasporas represent a vast and diverse community that have not only powered the development of the United States, but also hold the potential for transforming developing countries around the world.

Because many diaspora communities retain emotional, financial, and familial ties to their ancestral home, they have far-reaching potential as partners in development. USAID works with a range of partners—from nonprofits and humanitarian organizations to corporations, investment firms and foundations—to support diaspora efforts that align with the Agency's development objectives in sectors such as economic growth, health, education, science, technology and innovation, and disaster and crisis response.

This toolkit provides an overview of the diverse partnership opportunities at USAID through a diaspora lens. Whether you are a business, individual, organization, or philanthropic foundation, we welcome you to work with us.

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PARTNERSHIP OPPORTUNITIES: AN OVERVIEW

USAID and the Federal government form partnerships with individuals and organizations in a variety of ways. The type of opportunity that is right for you often depends on the purpose of the partnership, your organizational structure, and the financial considerations of the potential partners.

The two primary vehicles for seeking acquisition or assistance funding from USAID are contracts and grants.

- Acquisition refers to obtaining goods and services, through various types of **contracts**, for the use or benefit of the Agency. Interested organizations submit a proposal in an open, competitive process that is evaluated according to the posted requirements.
- Assistance refers to transferring funds from USAID to another party for the implementation of programs that contribute to the public good. In this scenario, partners are funded through **grants and cooperative agreements**.

USAID is also committed to engaging a new and diverse set of partners for development impact through both financial and non-financial means.

- USAID engages with **private sector businesses and individuals** that are active or considering investment in our presence countries. This engagement can occur through knowledge sharing and market intelligence, partnerships and parallel programming, and financing and guarantees.
- USAID is dedicated to maintaining an open dialogue with the private and public sector through **co-creation and co-design** when facing a development challenge that does not have a clear solution and there appears to be an opportunity for innovation.

The [USAID Business Forecast](#) is a quarterly informational resource on potential funding and partnership opportunities at USAID.

REQUIREMENTS TO WORK WITH USAID

To be eligible to apply for USAID acquisition and assistance awards (and all U.S. federal awards), organizations must register in three systems:

- Data Universal Number System (DUNS): is a unique nine-digit identifier for businesses. It is used to establish a business credit file, which is often referenced by lenders and potential business partners to help predict the reliability and/or financial stability of the company in question. DUNS is free for all businesses.
- CAGE or NCAGE: These numbers are used by U.S. federal agencies to identify organizations with which they do business. Commercial and Government Entity (CAGE) Code is required for all U.S.-based organizations. NATO Commercial and Government Entity (NCAGE) Code is required for non-U.S.-based organizations

- [System for Award Management \(SAM\)](#): Entities who need to register include prime contractors, sub-contractors and sub-recipients, organizations applying for assistance awards, those receiving loans, sole proprietors, corporations, and private sector partners.

ACQUISITION (CONTRACTS)

Once you have established the alignment between your area of work and USAID activities, it may be the case that you or your business is interested in providing goods and services to the Agency. *When using contracts, USAID typically exercises a higher level of control over the partner in obtaining results.*

Requirements and Eligibility:

- Bids and proposals are typically evaluated based on: past performance (does not have to be USAID past performance), technical approach, personnel, corporate capability, and management plans.
- Contracts are subject to the Federal Acquisition Regulations (FAR), the USAID Supplement to the FAR (AIDAR), and applicable portions of USAID's Automated Directives System (ADS).

Types of Solicitations:

USAID has several ways to solicit proposals in its procurement process. Some examples are:

- **Requests for Proposals (RFP)**: The RFP is a document that solicits proposals from potential suppliers through a bidding process.
- **Requests for Quotations (RFQ)/Requests for Information (RFI)**: The RFQ is simply a solicitation for price quotes that typically precedes the RFP. The RFI is a solicitation where the Agency is looking for organizations that are able to complete a scope of work. Diaspora organizations are encouraged to respond to these types of solicitations.

Partnership Examples:

[USAID/Bosnia](#) sought to contract an organization for the implementation of a new economic development activity that includes creating a policy framework, providing technical assistance and grants to early-stage businesses, and developing a diaspora investment platform. They issued an RFP in September 2016.

[USAID/Haiti](#) intended to procure design and construction services for the rehabilitation of the Cap Haitian Port. They issued an RFQ in September 2016.

Resources:

[FedBizOpps.gov](#) hosts all federal procurement opportunities that are over \$25,000 in value.

[USAID/Office of Small and Disadvantaged Business Utilization \(OSDBU\)](#) serves as an advocate and advisory office within the Agency for U.S. small businesses, small disadvantaged businesses, women-owned small businesses, [HUB Zone](#) small businesses, and service-disabled veteran-owned small businesses.

ASSISTANCE (GRANTS AND COOPERATIVE AGREEMENTS)

Once you have established the alignment between your area of work and USAID activities, it may be the case that you or your organization is eligible to apply for assistance through a grant or cooperative agreement. **With grants**, USAID does not need substantial involvement with the program implementation. **With cooperative agreements**, USAID is substantially involved with the recipient in program implementation.

Requirements and Eligibility:

- Applications for assistance are typically evaluated based on: audited financial statements, projected budget and cash flow, organizational capacity, past performance references, and proof of financial resources to perform the project.
- For all grants and cooperative agreements (assistance mechanisms), USAID uses the U.S. Government Code of Federal Regulations (CFR).

Types of Solicitations: USAID has several ways to solicit applications for grants and cooperative agreements. Some examples are:

- **Notice of Funding Opportunity (NOFO):** The NOFO invites interested parties to submit competitive applications for USAID assistance and explains what the application should contain, how it should be written and the evaluation criteria to be used. If an applicant is selected, they may be awarded a grant or a cooperative agreement.
- **Annual Program Statement (APS):** An APS is used when USAID intends to support a variety of creative approaches towards developing methodologies to assess and implement development objective activities. If an applicant is selected, they may be awarded a grant or a cooperative agreement.

Partnership Examples:

[USAID/Albania](#) planned to award a grant to implement activities to promote sustainable tourism in Albania and sought concept papers through an APS issued in October 2015. The purpose of the activities is to contribute to improvements in tourism sector, including improvements to Albania's business enabling environment and workforce capacities.

[The USAID/West Africa](#) Regional Peace and Governance Office (RPGO) sought to award a cooperative agreement to counter violent extremism in West Africa under an APS issued in April 2016. It is highly

General guidelines:

USAID chiefly funds programs through its **Missions overseas**. In order to best keep your finger on the pulse of new opportunities, establish a relationship with the Mission in the country where your work is focused. Set up meetings with them and invite them to see your operation.

Make sure there is alignment between your work and that of the Mission. The best way to do so is by reading the USAID's strategy in the country, known as the **Country Development Cooperation Strategy (CDCS)**.

Opportunities are posted on a rolling, as-needed basis.

desirable that activities funded under this APS will be innovative and will comprise new and inventive ideas to address and counter violent extremism.

Resources:

[Grants.gov](https://www.grants.gov) is a central repository for all government grants.

[USAID/American Schools and Hospitals Abroad \(ASHA\)](https://www.usaid.gov/our-work/american-schools-and-hospitals-abroad) provides assistance to schools, libraries, and medical centers outside the United States that serve as study and demonstration centers for American ideas and practices. USAID/ASHA issues an annual APS.

Who is the private sector?

Private for-profit entities such as a business, corporation, or private firm;

Private equity or private financial institutions, including private investment firms, mutual funds, or insurance companies;

Private investors (individuals or groups);

Private business or industry associations, including but not limited to chambers of commerce and related types of entities; and

Private grant-making foundations and philanthropic entities.

PRIVATE SECTOR ENGAGEMENT

There are a number of ways that USAID can engage with businesses that are active or considering investment in our presence countries. If you have ties to the private sector or are a commercial, for-profit entity and have aligned interests with USAID, we invite you to explore ways to partner with us.

Some examples of the approaches that USAID uses to partner with the private sector are:

- **Global Development Alliance (GDA) Annual Program Statement (APS):** The GDA is a partnership involving USAID and the private sector where the partners work together to develop and implement activities that leverage and apply our respective assets and expertise to advance core business interests, achieve USAID's development objectives, and increase the sustainable impact of USAID's development investments. The [GDA APS](#) provides a process through which USAID, the private sector, and other potential partners jointly create and develop GDAs. Initial alliance ideas and proposals are submitted as concept papers under the GDA APS.

- **Partial Credit Guarantees:** These financial instruments allow USAID to cover up to 50 percent of the risk in lending to projects that advance USAID objectives and catalyze developing-country private sectors to expand investment in local development activities. The USAID Development Credit Authority (DCA) can issue loan guarantees to private lenders, particularly for local currency loans.

Partnership Examples:

USAID, Chevron, and the Charities Aid Foundation, have partnered through a GDA to create an online portal that will facilitate diaspora giving focused on Northern Bangladesh. USAID and Chevron share an interest in the economic development of the region and diaspora engagement, while CAF America has the technical expertise and connections to bring the project to fruition. The kickoff meeting for this new partnership will be in late October 2016.

[Homestrings DCA Credit Guarantee](#): Homestrings, an online investment platform with deep connections to the global diaspora community, makes guaranteed loans to Small Enterprise Assistance Funds (SEAF), an active small- and medium-sized enterprise (SME) investor with a proven track record. SEAF then makes investments into SMEs in emerging markets like Macedonia, Serbia and Armenia. The USAID guarantee provides an important credit enhancement to Homestrings, enabling it to attract a wider range of private sector investors, both individuals and financial institutions. The proceeds from this mechanism are invested in local companies— from agribusinesses to financial service companies to information technology businesses—that have a strong potential for growth but limited long-term financing options.

Resources:

[USAID Global Partnerships Team](#) develops and tests new models for collaboration to form dynamic, mutually beneficial alliances with a broad range of partners - companies, NGOs, foundations, universities, diaspora groups, international organizations, and local and national governments - where business interests align with USAID's development objectives. This office provides technical support for the GDA.

[Development Credit Authority \(DCA\)](#): In emerging markets, eight out of ten small businesses cannot access the loans they need to grow. USAID's Development Credit Authority (DCA) uses risk-sharing agreements to mobilize local private capital to fill this financing gap by providing credit guarantees of up to 50 percent.

CO-CREATION AND CO-DESIGN

USAID is committed to collaborating with the private and public sectors when facing a development challenge that does not have a clear solution and there is an opportunity for innovation.

Some examples of the approaches that USAID uses to partner with the private sector are:

- **Broad Agency Announcement (BAA)**: BAAs are open for anyone to participate -- including the private sector, public sector, non-governmental, for-profit, non-profit, and educational institutions -- whether you are new to USAID, or a long-standing partner. The BAA is not in itself a procurement instrument, but rather a method to communicate interest in solving a

development problem. There is no budget allocated and no particular procurement instrument determined in advance. Through a BAA, a problem is defined, solutions are co-developed, competencies are identified, and resources are explored. Many partners have noted that they often discover other opportunities and resources beyond just USAID funding by participating in the BAA process. Based on the solution or approach that emerges from the BAA process, USAID will then determine whether and how to partner in the pursuit of that solution. If financial support is potentially warranted, USAID technical and procurement teams will determine appropriate next steps.

- **Global Development Alliance (GDA):** GDAs are co-created, co-developed, and co-implemented and entail extensive partnering and collaboration between USAID and the private sector. Ideally, USAID and the private sector jointly identify and define compelling business and development challenges; we then collaborate to determine whether and how we can solve those problems and achieve the greatest degree of transformational and sustainable impact. We share risks and responsibilities, and we work together to mobilize, leverage, and more effectively apply our respective assets, expertise, and resources.

Partnership Examples:

[Ebola Grand Challenge](#) prompted 1,500 submissions and resulted in 14 innovative solutions to help address key gaps in responding to the Ebola crisis. One of the resulting solutions was a new suit for health care workers that was developed in partnership with a wedding dress maker and Jhpiego.

[Saving Lives at Birth](#) has gone through 5 rounds since 2011 and has received nearly 3000 ideas to address calls for groundbreaking prevention and treatment approaches for pregnant women and newborns in poor, hard-to-reach communities. Round 5 resulted in bringing together a variety of innovators worldwide and more than 20 innovative solutions.

Resources:

[Grants.gov](#) and [FedBizOpps.gov](#): Most BAA opportunities are posted on a rolling basis on these websites.

ADDITIONAL RESOURCES

[USAID Frontier Partnerships Team](#) tests and incubates new approaches to partnerships for transformational development – by engaging new partners in new ways and in traditionally under-addressed technical areas, **including diaspora engagement**.

[The Global Innovation Exchange](#) is a global online marketplace for innovations, funding, insights, resources, and conversations that promotes greater collaboration to address global challenges.

- Its [Diaspora Engagement portal](#) is an online community for those interested in diaspora engagement to share resources and connect on opportunities.

[Center for International Disaster Information](#) (CIDI) is part of USAID’s Office of U.S. Foreign Disaster Assistance (USAID/OFDA), and guides and informs the public, including religious and community groups; diaspora; embassies; non-profits; corporations; businesses and governmental organizations about the most effective ways to support international disaster relief and recovery.

[Development Innovation Ventures](#) (DIV) is an open competition supporting breakthrough solutions to the world’s most intractable development challenges.

[Partnering to Accelerate Entrepreneurship \(PACE\)](#) aims to catalyze private-sector investment into early-stage enterprises and identify innovative models or approaches that help entrepreneurs bridge the pioneer gap – thus unlocking the potential of thousands of promising enterprises around the world.

[USAID’s Grant and Contract Process](#) is the USAID official page that outlines the full process of applying for grants and contracts.

[USAID’s Private Voluntary Organization \(PVO\)](#) registration program connects USAID with new and capable NGO partners that provide lasting solutions to development, humanitarian and health challenges.

[Development Experience Clearinghouse](#) is the largest online resource for USAID-funded technical and project materials, makes nearly 200,000 items available for review or download, and continuously grows with more than 1000 items added each month.

Local and State Diaspora Offices: Many city and state governments conduct diaspora outreach. Check with your local government to see if that is the case. Some examples are:

- [The DC Mayor’s Office on African Affairs](#)
- [Montgomery County, Maryland, Innovation Program](#)

[Training Series on How to Work with USAID](#): USAID has developed a series of online trainings for how to work with USAID. These trainings help provide foundational information to organizations wanting to work with USAID. Currently, there are 10 training modules available. Additional ones will be coming online soon.