USAID | MACEDONIA
FROM THE AMERICAN PEOPLE

March 25, 2011

SUBJECT: **Announcement of Request for Applications (RFA) Number M-OAA-GRO-EGAS-DGP-11-0001 "Development Grants Program (DGP)"**

Dear Development Partners:

I would like to bring to your attention an interesting opportunity to supplement your ongoing programs using the **Development Grants Program** funded by USAID's Office of Development Partners in Washington.

The Development Grants Program encourages local non-government organizations to propose innovative and effective approaches that contribute to the achievement of development objectives of the USAID Missions. Your expertise, experience, knowledge of local communities and innovative approaches enable you to make important contributions to achieving USAID's development objectives.

Last year, three nongovernmental organizations (NGOs) from Macedonia received $3.7 million to implement their microenterprise support programs, proving that there is capacity in this country to design and carry out complex innovative projects. This year, approximately $54 million will be distributed in competitively awarded grants of up to $2 million to eligible organizations around the world. A full description of this year's program is available in the subject Request for Applications (RFA). I strongly encourage you to invest time and energy in developing your project idea and submitting your application. All local NGOs that participate in this program should provide a cost-share match equivalent to, or greater than 10 percent.

USAID Macedonia has selected the following priority areas for the implementation of the Development Grants Program:

1. **Climate Change Adaptation:** USAID/Macedonia invites applications that address any of the areas and illustrative activities described in RFA section K.3. pp. 25 – 27, particularly those related to agriculture, community-based programs, and those listed under "science, analysis and information sharing for decision making." An important activity for Macedonia is the development of adequate analysis and a process for information sharing. While the Government of Macedonia has established a national committee on global climate change, there are significant needs for analysis and institutional development, particularly addressing biomass waste issues (i.e., agriculture and forestry)

US Agency for International Development
Samoilova 21, 1000 Skopje, MACEDONIA
Tel: (389-2) 310-2000 Fax: (389-2) 310-2463
http://macedonia.usaid.gov

as well as the country's need to prepare for more frequent droughts in the future as a result of global climate change.

2. **Microenterprise**: USAID/Macedonia will consider applications including all Microenterprise activities listed in the RFA (Section K.2.pp. 20-25). Proposals that contribute to the Mission's goal for increasing growth of the private sector and creating jobs and/or build upon the activities of past, current and future USAID projects or legacy institutions are of greatest interest. The most competitive proposals will support microenterprises in regions outside of Skopje or targeted sectors, including agriculture (i.e., fresh fruits and vegetables, processed vegetables, wine and wild gathered products), recycling, light manufacturing, information and communication technology (ICT), energy efficiency, and alternative energy, particularly related to biomass waste. Proposals from a variety of business support organizations, incubators, local economic development entities, chambers and associations, microfinance institutions, savings houses and other non-bank financial institutions, civil society organizations, government watch-dog groups, and think tanks are encouraged. Activities of particular interest include:

   - Inclusive Financial Markets: activities that will introduce or facilitate access to innovative new loan products which satisfy the needs of start-ups and existing micro enterprises. Building synergies with providers of business development support and services is expected to increase the success of the loan recipients.

   - Microenterprise Productivity: activities that contribute toward local economic development, strengthening sustainable business support organizations that provide sophisticated business development services, integration of microenterprises into specific value chains and usage of technology and innovation to enhance the performance of the microenterprises. Proposals related to workforce development and social entrepreneurship ideas that fit within the areas described in this RFA are also of interest.

   - Policy Environment for Micro and Small Enterprises: activities that provide independent analysis on government policies, develop capacity among independent business associations to advocate for reforms, develop industry standards to increase financial transparency (such as credit bureaus and public procurement) promote anti-corruption and tax reform at local and national levels, and use e-Government solutions to streamline government services to the private sector.

3. **Water:** Among the illustrative areas described in the RFA (Section K.1. p.p. 16-21), those related to "Water Resources Management and Adaptation to Climate Change" (K.1.b.) and "Water Productivity and Food Security" (K.1.c.) are of greatest interest to the Mission as they relate to the anticipated impact of global climate change on Macedonia with increases in droughts and impacts on the USAID supported agriculture value chains (i.e. fresh fruits and vegetables, processed vegetables, wine and wild gathered products). Illustrative activities in this area could include technologies and processes related to drip irrigation, improved soil and water management techniques. etc.

The full Request for Applications (RFA) is available on www.grants.gov at http://www07.grants.gov/search/search.do;jsessionid=cWCFNQzc7RR12Q925LnhvPBHhw6z788hPN8xTMwXvWvvvtdT7rQz!1777957990?oppId=78733&mode=VIEW (click Full Announcement at the top). If your organization is interested in applying, please make sure that you read this document thoroughly and follow closely the instructions for preparing and submitting your proposal (RFA p. 31). **USAID Macedonia plans to organize a clarification meeting for the potential applicants. If you are interested in participating in this meeting, please send an e-mail with your contact information and questions to DGPmacedonia2011@usaid.gov. We will inform you additionally of the time, date and place of the meeting.**

The selection process will be conducted in two phases. First, all interested applicants need to submit a concept paper of maximum six pages (plus cover letter and attachments). Then a selected number of them will be invited to submit a full application. The deadline for submission of the concept paper is **17:00 on April 25, 2011.** The concept papers should be submitted electronically to DGPmacedonia2011@usaid.gov, with a copy to DGP3@usaid.gov and three paper copies to the following mailing address USAID Macedonia, Program Office, U.S. Embassy, Samoilova 21, Skopje.

I'm confident that Macedonian organizations have the capacity to develop solid proposals that meet these requirements and supplement our development program.

Sincerely,

Robert Wuertz
Mission Director