

The USAID Resilient Communities Program
Request for Applications (RFA) No. 002

for

TOURISM MARKET SYSTEM PRODUCTIVITY GRANTS

Cultural Tourism development in Gori, Kareli, Kaspi and Zugdidi Municipalities

Issuance Date: February 8, 2023
Deadline for Questions: February 28, 2023
Deadline for Submissions: March 23, 2023

Dear Applicant,

The USAID Resilient Communities Program is releasing a Request for Applications (RFA) to award grants in support of its activities. Instructions for completing the application can be found in Annex A. The grants will be awarded and implemented in accordance with the USAID and US Government regulations governing grants and The USAID Resilient Communities Program internal grants management policies.

The USAID Resilient Communities Program is seeking to improve the productivity of micro and small enterprises¹ from targeted communities and integrate them into regional, national and international markets to develop cultural tourism in targeted municipalities.

The market system for cultural tourism includes several stakeholders. Depending on the type of stakeholder, the applicant may operate in the targeted communities or outside the communities (see below). For the purposes of this RFA, the following stakeholders are eligible applicants:

Type I Market System Actor: These applicants must be located in the targeted **communities**.

- **Hospitality service providers:** hotels, restaurants, catering, guesthouses, etc. in the targeted communities;
- **Culinary tourism service providers:** tourism companies that provide tourists with an experience to learn about local cooking techniques and other similar providers.

Type II Market System Actor: These applicants must be located in the targeted **municipalities** do not need to be located in the targeted communities.

- **Tourist attractions:** privately run tourist attractions (such as museums, galleries, folk houses, art houses, etc.);
- **Event organizers:** entities that are organizing or proposing to organize a cultural, musical, or other event that can attract tourists.;
- **Recreational service providers & local tour operators:** these are providers that offer activities and tours in the selected municipalities that can extend the stay of tourists. Many tourists do not just come to a destination for one type of tourism (i.e., cultural tourism), they can also enjoy other activities including outdoor tourism activities. Tourism providers must be from the targeted municipalities.

¹ Micro companies are defined as employing from 1-10 employees, small companies from 11 to 49

The USAID Resilient Communities Program investments in individual grant activities are anticipated to be up to \$40,000. The leveraged contribution is anticipated to be at least 50% of the total project cost.

In order to provide detailed information on focus of the RFA, define eligible applicants, ensure understanding of the application form, and facilitate the application process, the USAID Resilient Communities Program will hold information sessions per the schedule below:

Municipality	Date	Time	Location
Gori	February 20	13:00	Gori Municipality City Hall, Conference Room Address: #5 G. Peradze str., Gori.
Kaspi	February 21	13:00	GITA Technopark Address: D. Aghmashenebeli str., Kaspi.
Kareli	February 22	13:00	Kareli Municipality City Hall, Small Conference Room Address: #3 Ninoshvili str., Kareli.
Zugdidi	February 28	13:00	GITA Technopark Address: #1 Laghidze str., Zugdidi

Please note that applications in response to this RFA are due by **March 23, 2023**. For any questions during the grant application process, please contact grants@cnfageorgia.org no later than February 28, 2023.

Please refer to **Annex A – Grant Application**

Section I. Program Description

IA. ABOUT USAID RESILIENT COMMUNITIES PROGRAM

The USAID Resilient Communities Program is a five-year activity of the United States Agency for International Development (USAID) and implemented by CNFA. The primary objective of the USAID Resilient Communities Program is to improve the resiliency of target communities to benefit from inclusive and sustainable socio-economic development to create jobs, increase incomes and increase micro, small and medium enterprises' (MSME) revenues, thereby countering protracted malign influence.

The Program is implementing a market-system approach to develop and expand viable supply chains in the Administrative Boundary Line (ABL) improving the competitiveness of MSMEs and supporting associations and service providers to foster inclusive and sustainable market systems development.

The Program will provide competitive grants to address identified gaps in targeted market systems that will result in the improved productivity and productive capacity of MSMEs, strengthened market system linkages, increased access to markets, and improved capacity of MSMEs, associations, and service/information/extension providers.

IB. GRANT PROGRAM DESCRIPTION

Program Purpose: The USAID Resilient Communities Program is seeking to develop resilient targeted communities that pursue and benefit from inclusive and sustainable socio-economic development and are capable of countering protracted malign influence.

Background/Context: The USAID Resilient Communities Program is improving the ability of communities in the ABL region to integrate into market systems and improve their ability to obtain higher revenues, expand their businesses and increase employment. The Program conducted a Market System Analysis (MSA) that identified market systems in each municipality that could achieve higher revenues for firms and create jobs.

The cultural tourism market system was identified as one of these sectors in the following municipalities: Gori, Kareli, Kaspi, and Zugdidi. These municipalities were selected because they included one of the following elements that can attract tourists: folklore, crafts, ethnography, cultural or historical sites and monuments, and pilgrimage sites.

The following constraints were identified in the MSA that hinder the growth of the cultural tourism market system:

- Short length of stays for visitors: there are limited options for what tourists can do, what they can visit, or places where they can stay. This contributes to shorter visits. Sometimes this is due to a lack of accommodation facilities along itineraries, limited gastro food offers, additional activities that are offered.
- Poor integration of intangible heritage in tourism itineraries due to a lack of selling points for local souvenirs, poor design, and marketing.
- Limited marketing of events and festivals that results in less tourists and visitors attending the festivals.

Solutions Sought: The USAID Resilient Communities Program will issue grants to eligible entities to address the systemic constraints in the targeted market systems as identified. The following types of interventions under this RFA will be considered:



- Support to improve the services offered by guesthouses and hotels, expanding offerings to extend or enrich the stay of tourists. Examples of items that can be supported under the grant include: bicycles to offer guests opportunities to go cycling, unique gastro offers to provide guests with authentic local food, setting up facilities to offer cooking classes, and other innovative ideas. Support to purchase general furniture and fittings for the guesthouse/hotel will **not** be considered.
- For cultural events and festivals improving the delivery of the event and marketing
- Tourism attractions: improving the tourism attractions. Attractions must be privately owned and can include artisan workshops and galleries that are visited or have the potential of being (however not construction works), private museums and other similar attractions.

Geographic location of Applicants: It is necessary that applicants be from the following communities or municipality:

Type I Market System Actor	Community
Hospitality service providers (hotels, restaurants, catering etc.), culinary tourism service providers registered and/or operational in the communities listed in the right column.	<p>Akhalubani, Berbuki, Ditsi, Dzevera, Karaleti, Kvakhvrel, Mejriskhevi, Mereti, Nikozi, Shavshvebi, Shindisi, Tirdzinisi, Tkviavi, Variani, Zeghduleti;</p> <p>Abisi, Agara (borough), Avlevi, Bredzi, Breta, Dirbi (village), Dvani, Giganti, Mokhisi, Ptsa;</p> <p>Doesi, Kodistskaro, Kvemo Chala, Lamiskana, Metekhi, Okami, Samtavisi;</p> <p>Akhali Abastumani (Village), Akhalkakhati (Village), Akhalsopeli, Anaklia, Chitatskari (Village), Chkaduashi (village), Chkhor, Darcheli, Didi Nedzi, Ergeta, Ganarijis Mukhuri (Village), Ingiri, Kakhati (Village), Koki, Kortskheli, Odishi, Oktomberi, Orsantia, Orulu, Rike (village), Rukhi, Shamgona (village), Tsaishi, Zugdidi (city).</p>

Type 2 Market System Actor	Municipality
Tourism attractions, event organizers, recreational service providers & local tour operators registered and/or operational in the municipalities, listed in the right column.	<ul style="list-style-type: none"> ▪ Gori Municipality ▪ Kareli Municipality ▪ Kaspi Municipality ▪ Zugdidi Municipality

Interventions in this activity should be scalable and sustainable and should promote improvements in formal employment and increases in firm-level income.

IC. AUTHORITY AND GOVERNING REGULATIONS

The USAID Resilient Communities Program grant awards are made under the USAID's Automated Directive System (ADS) Chapter 303, "Grants and Cooperative Agreements to Non-Governmental Organizations." Grants administered under the USAID Resilient Communities Program will adhere to the terms of the applicable USAID Standard and Required as Applicable Provisions, as well as the USAID Resilient Communities Program grants procedures.

The USAID Resilient Communities Program is required to ensure that all applicants receiving USAID grant funds comply with the requirements found in these regulations, as applicable to the respective terms and conditions of individual grant awards. Under the USAID Resilient Communities Program grants program, USAID will retain the right, always, to terminate, in whole or in part, the USAID Resilient Communities Program grant-making authorities or any grants in progress.

Section II. Eligibility

IIA. ELIGIBLE RECIPIENTS

USAID Resilient Communities Program grant support under this solicitation may be extended to the following actors working to improve the cultural tourism offer in Kaspi, Kareli, Gori, and Zugdidi Municipalities and specifically targeted communities (please find the detailed breakdown by communities above):

- **From Targeted Communities:**
 - Hotels, restaurants, catering, guesthouses;
 - Culinary tourism service providers.
- **From Targeted Municipalities:**
 - Tourism attractions (museums, galleries, folk houses, art houses etc.) and tourism service providers, which are privately run;
 - Event organizers (entities that are organizing or proposing to organize a cultural, musical, or other events that can attract tourists);
 - Recreational service providers & local tour operators (offering activities and tours that can extend the stay of tourists).

IIB. ADDITIONAL CONDITIONS OF ELIGIBILITY

To be considered eligible for grant receipt, applicants must meet the following eligibility criteria:

- Demonstrate that the benefits derived from the award will have a positive impact on other actors in the market system, including communities living near the ABL.
- Have the capacity, or the ability to operate their business profitably or sustainably with limited technical assistance.
- Have identified sufficient demand for their goods and/or services among potential clientele;
- Be legally registered, private, for-profit majority Georgian entities (Ltd, JSC, cooperatives, sole proprietorships, etc.). No awards may be issued to non-Georgian entities.
- Not be a governmental Ministry, agency, or other public entity.
- Commit to adhering to high ethical standards, including transparency in business dealings and record keeping.
- Agree to abide by acceptable environmental standards and to present information regarding potential environmental risks and mitigation measures. A negative environmental assessment can be a condition for disqualification.



- Be eligible for receipt of USG funds, and not debarred, suspended, excluded, or proposed for debarment on any of the USG-mandated screening databases.
- Be up to date on all applicable taxes and other legal obligations to the Government.
- Provide minimum 50% cost leveraged contribution of total project cost.
- Reach aggregate evaluation score of at least 70 points to be considered for site visit.
- Complete and pass a site-visit and pre-award assessment.
- Submit all mandatory documents prior to the deadline stipulated in the RFA.

While the USAID Resilient Communities Program will consider all applicants, priority will be given to projects that impact larger numbers of beneficiaries, address under-served population, including women and youth, and/or create significant numbers of sustainable new jobs when selecting potential awardees.

IIIC. INELIGIBLE APPLICANTS, ACTIVITIES AND UNALLOWABLE COSTS

The following entities are not eligible for grant funds:

- Government Ministry, Agency, or another public agency.
- An entity having as key staff a direct relative (spouse, child, parent, or brother/sister/sibling) of CNFA, USAID Resilient Communities subcontractors, or USAID staff;
- Entities or members engaged in any activities related to Trafficking in Persons;
- Entities or members engaged, transacting with, or providing resources to individuals or organizations associated with terrorism;
- Entities which have been debarred, suspended, or otherwise considered ineligible for an award by the US Government.

Applicants may not use grant funds for any of the following:

- Private ceremonies, parties, celebrations, or “representation” expenses;
- Purchases of restricted goods, which include agricultural commodities, motor vehicles, pharmaceuticals, pesticides, used equipment, or fertilizers, without the prior waiver and approval provided by USAID Resilient Communities Program. Purchase of these goods requires additional approvals from USAID before they may be allowed and procured. As such, applicants are discouraged from requesting funding for these restricted goods unless the goods are necessary to the accomplishment of the grant objectives;
- Ineligible goods under USAID regulations, including but not limited to military equipment; surveillance equipment; police or law enforcement equipment; abortion equipment and services; weather modification equipment; luxury goods; and gambling equipment;
- Construction works;
- Any purchases or activities deemed unnecessary to accomplish grant purposes as determined by the USAID Resilient Communities Program, including any applicant headquarters’ expenses that are not directly linked to the implementation of the proposed project;
- Previous obligations and/or bad debts;
- Fines and/or penalties;
- Creation of endowments;
- 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; and
- Any other costs unallowable per the applicable Cost Principles.

Section III. Application Submission Information

III.A QUESTION SUBMISSION REQUIREMENTS

Any questions related to this RFA must be submitted to Grants Manager, grants@cnfageorgia.org **no later than 5:00 PM, Tbilisi time, on February 28, 2023.**

Questions must be submitted in writing; phone calls will not be accepted. Questions and requests for clarification—and the responses thereto—that the Project believes may be of interest to other offerors will be circulated to all RFA recipients who have indicated an interest in submitting Applications. Only the written answers issued by the Program will be considered official and carry weight in the RFA process and subsequent evaluation. Any verbal information received from employees of the Program or any other entity should not be considered as an official response to any questions regarding this RFA.

III.B APPLICATION SUBMISSION REQUIREMENTS

Grant applications will be accepted *only* in the application format given in Annex A, Grant Application. Applications and any required supporting documentation should be submitted **no later than 5:00 PM, Tbilisi time, on March 23, 2023.** Applicants must strictly adhere to the requirements of this RFA.

Applications (including all attachments and supporting documentation) should be submitted in electronic form only. The electronic applications should be submitted to the USAID Resilient Communities Program's Grants Manager at grants@cnfageorgia.org and the RFA No. 002 and the applicant organization's name should be stated in the subject line of the email. Applications will be accepted only if the information is provided in the format requested by this RFA. The grant application package should include:

- An Application Form (Annex A), including attachments 1(Applicant Certifications) and 2 (Copy of the registration certificate (from the National Agency of Public Registry available at www.napr.gov.ge))

Please reference the RFA number in any response to this RFA. Applications received after the specified time and date will be considered late and will be considered only at the discretion of the Program. Applicants must strictly follow the deadlines provided to be considered for an award.

Section IV. Evaluation, Selection, and Award Information

All applications submitted in response to this solicitation will be evaluated in accordance with the following criteria:

Criteria	Description	Points
Aligned with project objectives		40
	The proposed intervention described is logical and explains how it addresses the constraint in the ability of the applicant to participate in the tourism market system. The applicant has logically explained how they will connect to the market either directly to tourism operators or directly to tourists.	20



	The applicant has explained how the intervention will increase their connections to other tourism actors in the market system, including market actors from the targeted communities.	20
Project Impact		30
	Expected number of new full-time equivalent jobs to be created.	10
	Expected increase in sales from improved services.	10
	Expected impact on women and youth (through ownership and/or employment).	10
Past experience of the applicant		20
	The extent to which the applicant has experience conducting activities like those proposed in the grant application.	20
Cost Leverage		10
	Suggested cost-leverage and budget is reasonable and is in line with project objectives.	10
Total		100

Once applications have been submitted to the Program, members of the USAID Resilient Communities Program Grant Selection Committee will evaluate applications in accordance with the above selection criteria. Applicants that score below 70 points will not be eligible for receipt of grant funding. Applicants will be notified in writing whether their application was considered acceptable or not.

If the application is considered acceptable, the Program will contact the applicant to engage in further discussions. A decision to engage in more in-depth and specific discussion following initial selection is *not* a commitment to funding; it is simply a decision to move forward in the collaborative and joint effort to develop an impactful grant project. If the in-depth and specific discussions do not result in the identification and development of a grant activity worthy of further pursuit, then the USAID Resilient Communities Program will inform the applicant that it is no longer interested in advancing the grant project. However, if the more in-depth discussions result in a promising design and concept, the USAID Resilient Communities Program will inform the applicant of that determination.

Applicants considered to be successful will be subject to a site visit from the USAID Resilient Communities Program staff for an applicant pre-award assessment to verify the accuracy of their submission, perform an administrative and financial review, and conduct environmental due diligence. If the site visit assessment uncovers no major issues, the USAID Resilient Communities Program will provide the necessary instructions, technical requirements, and next steps of grant award.

The Program anticipates awarding fixed amount award grants to qualifying organizations applicants, though other grant mechanisms may be used for grantees applicants with less established corporate capabilities and past experience based on the Program's evaluation, pre-award assessment, and site visits, as applicable.

Section V. Terms and Conditions

Applicants understand, by submitting a response to this RFA, that application submission does not constitute an award or commitment on the part of the USAID Resilient Communities Program, nor does it commit the USAID Resilient Communities Program to pay for costs incurred in the preparation and submission of an application. Further, the USAID Resilient Communities Program reserves the right to accept or reject any or all applications received, as well as issue amendments revising the terms of this RFA



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before or after receipt of applications. In applying, Applicants understand that USAID is not a party to this solicitation and the Applicant agrees that any communications regarding this solicitation will be conducted with the USAID Resilient Communities Program, and not USAID. Applicants will be informed in writing of the decision made regarding their application.

ANNEX A – GRANT APPLICATION FORM

TOURISM MARKET SYSTEM PRODUCTIVITY GRANTS

Cultural Tourism development in Gori, Kareli, Kaspi and Zugdidi Municipalities

1. General Information

Submission of this grant application is FREE OF CHARGE. Applicants are solely responsible for submitting applications. The USAID Resilient Communities Program will not reimburse expenses associated with the preparation and submission of application materials. CNFA and USAID reserve the right to decline any application received.

Completed applications with all required annexes must be emailed to GRANTS@CNFAGEORGIA.ORG. Handwritten applications will not be accepted. Incomplete applications will not be considered for evaluation.

Data of Submission:		
Basic Information		
Name of Organization:		
Company's Legal Status:	Ltd <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> JSC <input type="checkbox"/> Cooperative <input type="checkbox"/> Other <input type="checkbox"/>	
ID/TAX ID Number:		
UEI Number (if available)		
Date of registration:		
Partners/Founders:		
Tel:		
Address:		
Grant Requested		
Grant Amount (USD)		
Grantee Contribution Amount (USD)		



Contact Person	Position	Address	Tel.	E-Mail

2. Project Goal & Activities

2.1. Describe in detail the proposed project. The proposed intervention should be logical and describe the constraint in your business and how the proposed solution will overcome this constraint. State the main activities that need to be completed.

Describe how the proposed project will: (i) expand your current activities/offer; (ii) how it will improve/create service offer.

Description of the proposed project.

What is the problem you would like to address with support from the USAID Resilient Communities program?

Describe how you plan to connect to the market either directly to tourism operators or directly to tourists.

2.2. Describe cooperation with another actor (if any).

Please list the actors you are planning to cooperate with and describe planned potential cooperation in order to improve tourism of the target destination. Include market actors from the targeted-communities.

3. Project Impact

3.1. Please, provide the information about the projected impact both for the applicant enterprise and for MSMEs.

Impact		Quantity
Expected number of new full-time equivalent jobs to be created.	Yes	



Expected increase in sales for MSMEs (GEL)	Yes	

3.2 Please, describe the expected impact on women and youth.

How will women and youth be engaged in your project?

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4. Past Experience

4.1 Provide information about the experience of the applicant directly related to the proposed project and planned activities.

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5. Leveraged Contribution

5.1 Specify the source of amounts intended for the applicant's leveraged contribution:

	Source	Amount	Description
1	Owner's capital investment in the project		
2	Loan from Commercial Financial Institution		
3	Funding from the State program		
4	Other		

5.2 Please provide the project budget

Budget item	Amount (USD)



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TOTAL	
<i>Grantee Contribution vs USAID Funds (%)</i>	

Submitted by: _____ Date _____

- Attachment 1: Applicant Certification Letter
Attachment 2: Updated (not older than 7 calendar days) transcript from the business registry

ATTACHMENT 1. APPLICANT CERTIFICATION LETTER

The following letter must be placed on letterhead and completed/signed/stamped by a representative authorized to sign on behalf of the applicant:

To: [enter point of contact]
[enter project office address]

Reference: RFA no. 002

To Whom It May Concern:

We, the undersigned, hereby provide the attached application to perform all work required to complete the activities and requirements as described in the above-referenced RFA. Please find our application attached.

We hereby acknowledge and agree to all terms, conditions, special provisions, and instructions included in the above-referenced RFA. We further certify that the below-named firm—as well as the firm’s principal officers, and all commodities and services offered in response to this RFA—are eligible to participate in this procurement under the terms of this solicitation and under USAID regulations.

Furthermore, we hereby certify that, to the best of our knowledge and belief:

- We have no close, familial, or financial relationships with any USAID, CNFA, CNFA implementing partner subcontractors, or USAID Resilient Communities Program, project staff members;
- We have no close, familial, or financial relationships with any other applicants submitting proposals in response to the above-referenced RFA; and
- The prices in our offer have been arrived at independently, without any consultation, communication, or agreement with any other applicant or competitor for the purpose of restricting competition.
- All information in our application and all supporting documentation is authentic and accurate.
- We understand and agree to CNFA’s prohibitions against fraud, bribery, and kickbacks.
- We understand and agree to CNFA’s prohibitions against funding or associating with individuals or organizations engaged in terrorism or trafficking in persons activities.

We hereby certify that the enclosed representations, certifications, and other statements are accurate, current, and complete:

Authorized Signatory:

Name and Title of Signatory:

Date:

Company Registration or Taxpayer ID Number: