

Annual Program Statement Frequently Asked Questions

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Introduction and Registration

What is an Annual Program Statement?

An Annual Program Statement (APS) is an official USAID grant solicitation issued by the project that allows interested and qualified prospect partners to apply for grant funding.

Where do I access the Trade Hub's APS?

You can access the APS from the Creative Associates' website <u>here</u>. Once active, you can also access the APS on the Trade Hub website <u>here</u>.

What is the difference between WATIH-APS-459 and WATIH-APS-461?

WATIH-APS-459 is a notice of funding opportunity for *Promotion of Catalytic Business Concepts*. Under this APS, the Trade Hub is seeking partners investing in catalytic businesses with large-scale development impacts. Priorities for the region include; Nigeria, Senegal, Cote d'Ivoire, Sahel (Burkina Faso and Niger) and West Africa region (all ECOWAS countries).

WATIH-APS-461 is a notice of funding opportunity for *Promoting Research and Development into Agricultural Innovations and Modern Technologies in Nigeria*. Under this APS, the Trade Hub is soliciting applications from private sector companies, non-governmental organizations, and public organizations who have proven and marketable technologies and innovations to improve smallholder farmers' productivity and livelihoods in Nigeria only.

How long is the Trade Hub APS open?

The APS is open for one year from the date of issue. The Trade Hub may issue a modification to the APS to extend the submission date.

How many years will each grant award run?

The length of grant awards made under the APS is subject to negotiations but are expected to be for multiple years within the life of the project.

How do I register my company/organization for the Trade Hub APS?

The URL for registration is https://smart.fluxx.io/apply/watih

Which browser do I use for my registration and submissions?

We recommend Google Chrome, which works best with the SMART interface. Nevertheless, other browsers do work with SMART.

Should we register once or twice for different activities/countries under one APS?

If you are proposing activities in two different countries, you can register twice (one for each country). Ensure to include the country beside the organization name.

If you are proposing different activities in one country, you should register once and during concept submission, you may submit one or more concepts considering the diversity of your proposed activities.

Should we register once or twice if we are interested in both APS?

An organization can register just once unless if it has a different registration in another country (for example, Reporting Hotline Inc. and Reporting Hotline Nigeria Limited) Once registered an organization should send an email to grants@westafricatih.com notifying the grants team of its interest to submit concept for any APS advertised by the Trade Hub.

What do I do after registration?

The Trade Hub team will review your registration and notify you via email to confirm receipt and inform you on next steps.

Immediately after your registration is accepted, SMART will send your log-in details to the Point of Contact email address you listed at the point of registration. Be sure to include a valid email address and please check your email folders (including spam folder) to confirm that you have received the log-in details.

Should my company/organization be legally registered before I can receive a grant from the Trade Hub?

For a non-US organization, your organization must be legally registered in the country of proposed activity before Trade Hub can award a grant to your organization. An applicant must be working in compliance with all applicable civil and fiscal regulations, including but not limited to pertinent local laws and status.

If your organization is not legally registered at the point of registration on https://smart.fluxx.io/apply/watih send an email to grants@westafricatih.com with a proof of effort to secure registration, exemption from registration, or show cause for why such registration is either not optional or practicable.

However, prior to submission of a concept note, proof of registration should be uploaded in SMART.

Eligibility

Can a U.S. company/organization apply for grants under the Trade Hub project?

Yes, a U.S. company/organization can apply and receive grants under the Trade Hub project. This is subject to restrictions stipulated under <u>ADS 302.3.4.13(c)(1)</u>. However, an exception may be requested to waive certain restrictions depending on the submission. Approval from USAID is required for any exceptions to these restrictions prior to award.

U.S. companies and organizations interested in partnering with the Trade Hub are strongly encouraged to apply.

Can I register as an individual for the APS?

Although the Trade Hub allows submissions from individuals, the project prefers to see registrations from companies/organizations. Please register as a company or organization if possible.

Can several companies apply together?

Two or more companies can apply together to strengthen and complement each other under a proposed activity. Nevertheless, one company must take the lead in the concept note and application process. Hence, the registration and submissions should be done in the lead company's name.

Which countries does the Trade Hub cover?

The Trade Hub activity has target countries: Nigeria, Cote d'Ivoire, Senegal, Ghana, Burkina Faso and Niger. Nevertheless, the Trade Hub also covers all West African countries under ECOWAS.

What value chains and states does the Trade Hub cover in Nigeria?

The Trade Hub will prioritize co-investment activities that will increase the production of maize, rice, soy, cowpeas or farmed fish (aquaculture) in seven states: Benue, Cross River, Delta, Ebonyi, Kaduna, Kebbi, and Niger. This adheres to the <u>Feed the Future strategy</u> presently being implemented in Nigeria.

Nevertheless, the Trade Hub is not exclusively limited to these value chains and priority regions. The Trade Hub may partner with organizations that propose activities that will contribute to overall project objectives across other business networks and states in Nigeria, notably within the framework of <u>Prosper Africa</u>.

Budgeting and cost share/leverage

What is the difference between cost-share and leverage?

Although very similar, there are two primary differences between cost-share and leverage:

- Leverage strictly comes from the private sector, while cost-share can include non-USG public funding;
- Cost-share is binding and auditable under an award agreement, while leverage is not;

The Trade Hub will work with grantees to determine whether contribution should be considered leverage or cost-share prior to award.

The determination of what constitutes leverage is based on the objectives, considerations and criteria set forth in the <u>Global Development Alliance (GDA) APS</u> and the determination of what constitutes cost-share is set for at 2 CFR 200.306 and ADS 303.3.10.

Will the Trade Hub accept cost-share or leverage?

Yes, the Trade Hub will accept cost-share and/or leverage to reach the **minimum 1:1 matching requirement**. However, the project has **a target to generate new private investment at 5:1**. Consequently, higher leverages of **private** investment will be viewed more favorably (compared to higher levels of public funding).

What are examples of cost-share and leverage?

Cost-share/leverage can be either cash, rate discounts, services, material or third-party contributions, such as equity investors loans from financial institutions, or a combination thereof. Examples of in-kind contributions that may be counted include: commodities; use of training venues, value of time donated by technical consultants or company employees whose work and expertise are necessary to the project; value of salaries for staff dedicated to the project; technology, communications and capital assets purchased for the project, etc.

Note:

- Other US government funding sources **are not accepted** for cost-share or leverage requirements;
- Resources towards cost-share/leverage **must be new and different** than what the entity would have done in the absence of anticipated or actual engagement with the Trade Hub;
- As a preference, private sector resources should come in the form of cash, equity capital, with a letter of intent from the equity investor, and or debt capital with a letter of commitment from the financial institution.

Could zero or low-interest loans from friends and family be considered for matching funds?

Yes, provided evidence is shown that the funds are physically available at the time of entering into a grant agreement. You will also be required, during due diligence phase, to provide justification showing the source of these funds.

Can resources committed towards the overall goal of the project before award of grants (example: acquisition of land, equipment, etc.) be eligible for matching?

Yes, although the primary goal of the Trade Hub is to generate **new private investments** thanks to co-investment grantee funding provided by the project. An applicant must illustrate the additionality of funding provided by the Trade Hub in the event a Co-Investment grant is awarded.

The Trade Hub is seeking partnerships that **expand new initiatives**, as opposed to accompanying ongoing projects already occurring without Trade Hub partnership.

Can we include pre award costs like staff/consultants' time for preparation of concept/full application in the grants budget or propose such as matching?

The Trade Hub will not reimburse such expenses and they will not be counted as matching. Our grant funding works on the basis of reimbursement of 'costs actually incurred'. These costs must be listed in the Grant Agreement and approved budget.

Concept Note Submission

How do we know if our concept is rejected or approved?

A member of the Trade Hub's grants staff will notify you on the acceptance or rejection of your concept note for co-creation with comments on the reasons for rejection.

Assuming our concept is approved, what would be the project start date?

The Trade Hub may invite you for co-creation, may request for full application from you, evaluate your full application, conduct due diligence on your organization, conduct negotiations with your organization, receive all necessary approvals before award is made. These may take up to six months.

You will receive notifications/invitations from the Trade Hub at the different levels.

Are we expected to make any payment or work with an agent during the concept submission or grants process?

The Trade Hub does not use third-party persons, companies, or organizations to facilitate grant submissions and does not charge a fee for any grant submission.

Please report any suspected fraudulent activity to <u>grants@westafricatih.com</u> or hotline@creativedc.com.

Can we submit the concept note and/or the full application in French and do you have a French version of SMART?

While we can accept submission in French, we will prefer to receive the English version of your concept note, full application and budget. Also, there is only an English version of SMART, but like other sites, Google translate plugin when used, can translate SMART to any selected language. There are also French language templates available in SMART

Also, applicants who will prefer to send questions in French can do so through grants@westafricatih.com.

Grant Funding

Can the Trade Hub provide grants which are lower or higher than the thresholds indicated under the APS?

Final grant amounts are subject to negotiation, but it is expected that grant amounts will range between \$250,000 USD and \$2,000,000 USD. Grant sizes of smaller or larger amounts may be considered should the proposed activity meet the objectives of the APS.

If we are successful and receive a grant, how will the grant disbursements work?

It is expected that all grants awarded under this APS will be performance-based with an appropriate means of verification for agreed upon milestones. These milestones will be determined in collaboration with the applicants prior to signing the grant agreement. Disbursements will be made on the applicants delivering the agreed milestones.

However, the Trade Hub's final determination on award mechanism will be based on its assessment of an applicant's risk prior to award. If the Trade Hub's assessment identifies weaknesses or deficiencies that call into question the applicant's ability to manage an award, the Trade Hub may elect to remove the applicant from consideration under this funding opportunity or select a mechanism more appropriate for the applicant's current financial, administrative, and operational capacity.

<u>Is grant money a loan? Can we use the grant to offset loan?</u>

Grant funding provided under the Co-Investment Fund is not a loan. Upon award, a grantee will not be required to pay back the Trade Hub in the event the activity is executed successfully in accordance to the grant agreement and USAID rules and regulations.

Grant funding cannot be used to offset a loan.

Would there be profit sharing between the Trade Hub and the Grantee?

There will not be profit sharing between the Trade Hub and the grantee. Nevertheless, profits generated under this activity must adhere to USAID rules and regulations. Please note the following about Program Income:

Profit/Income: Grantees must account for all income earned under the implementation of a grant in accordance with 2 CFR 200.307 (or the Standard Provision entitled Program Income for non-U.S. organizations). Income earned under the implementation of a grant shall be added to the Activity. According to 2 CFR 200.80, Program Income means gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the award (see exclusions in 2 CFR 200.307 (f) and (g)). Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under the award being implemented, license fees and royalties on patents and copyrights, principal and interest on loans made with funds received from the Trade and Investment Hub. Interest earned on advances of funds received from the Trade and Investment Hub is not program income. Except as otherwise provided in Federal statutes, regulations or the terms and conditions of the award, program income does not include rebates, credits, discounts, and interest earned on any of them. See also 2 CFR 200.407.