

**Workforce and Higher Access to Markets Activity (WHAM)  
Request for Applications (RFA)**

**Solicitation number: WHAM-AID-168-LA-17-006**

**Issuance Date: December 19, 2018**

**Closing Date: January 30, 2019**

**Total Potential Funding: USD 100,000**

**Expected Number of Grants: 3**

**Maximum Award Amount: USD 50,000**

**Reference:** Access to markets to prepare and participate in fairs and trade shows.

Dear Applicant:

You are invited to submit an application for the implementation of the terms of references contained herein. The grants will be awarded and implemented in accordance with United States Agency for International Development (USAID) and United States Government (USG) regulations governing grants under cooperative agreements, as deemed applicable by prime USAID implementer International Executive Service Corps (IESC), and the Workforce and Higher Access to Markets (WHAM) Activity's internal grant management policies.

Please note that the **deadline for receiving Concept Note Applications** is 4:00pm local time on January 30, 2019. Refer to section III Application and Submission Information for further instructions and requirements.

Applicants who have questions about the application process or about this RFA should submit them to: [whamgrants@iesc.org](mailto:whamgrants@iesc.org) before January 25, 2018. Please write "RFA 006" in the subject line.

This RFA contains the following attachments:

Annex 1 – Concept Note Instructions and Template

### **Section I. About the Program**

#### **What is the WHAM Activity and what is it trying to achieve?**

The Workforce and Higher Access to Markets (WHAM) Activity is a USAID-funded program designed to stimulate job creation by advancing Bosnia and Herzegovina (BiH)'s trade integration with—and expansion into—European Union (EU) markets. This will be accomplished via a grant program open to eligible individual small and medium enterprises (SMEs), groups of SMEs with predefined internal structure, organizations working jointly with and representing groups of SMEs (chambers of economy/commerce, regional

development agencies, etc.) or a number of organizations working together. Grants will prioritize high-growth, exporting or export-ready SMEs aiming to expand capacity, reach more markets, and generate greater employment.

### **Background**

SMEs in the BiH metal, wood and textile/footwear sectors have succeeded in achieving record results in sales and exports during the past two years. Nevertheless, there are several constraints hampering the penetration and expansion of these industries into EU recognized global value chains. Apart from labor force and technology gaps, sales, and market research development is a significant limitation of the BiH metal, wood and textile/footwear sectors. From our observation, SMEs lack sufficiently skilled sales and market research staff and tools needed to expand their businesses. Moreover, companies rarely attend business events abroad such as trade shows and fairs that may help them gain new customers, hear buyer feedback or requirements first-hand, and increase their product orders. Most of the sales efforts are sporadic and not proactive. Often, potential customers come to visit companies and not vice versa. This limits the ability of these companies to negotiate, learn about potential markets, and generally have better outreach to new markets.

The WHAM Activity efforts will focus on the SMEs' needs through support interventions that improve the BiH enterprises, while striving to build sustainable capacity and tools within BiH enterprises. The WHAM Activity will support local SMEs, groups of companies with the same or similar needs, companies that are integrators in their segment, and/or organizations which work jointly with and represent companies to form partnerships.

### **What are the specific intervention areas of this RFA?**

Sales and market research departments with product development aptitude are almost non-existent in local SMEs. In some sectors, the dominating business practices of Lohn production have caused the marketing business units to dissolve. Prolonged dependence on agents that bring desired quantity versus quality of work automatically demotes BiH suppliers into third-tier suppliers that struggle with meager margins. Businesses wait for potential customers to come visit them instead of more proactive sales.

To increase value-addition and capture higher profit margins, BiH enterprises need to know the trends in existing and potential markets. They need opportunity to meet with potential new clients. Furthermore, they need to do this as efficiently as possible since most of them do not have large marketing budgets that would allow them to travel and experience real sales negotiations. Fairs, trade shows, and various business-to-business (B2B) meetings provide prospects for businesses to meet new clients and buyers directly.

Through its private sector outreach, the WHAM Activity invites local SMEs, either individually or in groups of companies with the same or similar needs, and/or organizations

which work jointly with and represent group of companies to submit proposals to efficiently and effectively attend events where they can meet potential businesses, hence create new orders and customers for their businesses. Intervention areas within the metal, wood, textile/footwear sectors can apply by addressing the following (select and strategize):

- Inability to meet potential new clients;
- Inability to present products or services to new customers or new markets;
- Lack of effective and proficient market research and development within companies in targeted sectors;
- Lack of knowledge and usage of new technologies in sales and market research tactics and strategies;
- Inability to sell quality products;
- Inability to market and eventually sell inherent capacities and competencies; and,
- Inability to grow and strategize due to all the previously listed.

### **What types of support are available from the WHAM Activity?**

The Activity can provide a wide range of support to potential grantees, examples of which are detailed below. Grantees are not limited to only one area of support and can request a package of assistance if it makes business sense and meets the eligibility criteria described below:

- Co-finance of visits and exhibits to fairs and other events where they can meet potential customers. Group exhibits can support costs of: rent of common space, design of stand, rent of stand furniture/equipment and group transportation;
- Co-finance business-to-business meetings and trade show visits. Costs can include group transportation costs, venue rent, and refreshments;
- Co-finance support for training initiatives related to sales and market development (product development) of skills that beneficiary will need; and/or,
- Co-finance development of adequate marketing tools for enterprises aimed to increase sales and export (branding, promotional materials, etc.) for these business to business meeting events.

### **Volunteer Experts**

A distinctive feature of the WHAM Activity is its ability to field volunteer experts through the activity implementer, International Executive Service Corps (IESC). IESC maintains a large registry of experienced, senior-level professionals from business, financial institutions, IT enterprises, and other private sector institutions. IESC volunteers are experts in their industry with years of private sector experience, deep practical knowledge and market connections. If your organization feels they can benefit from one of these experts, you can include a request for volunteer support in your initial concept note (detailed below).

## Section II: Eligibility

### Is my organization eligible to receive grant funding?

The focus of this RFA is to target SMEs that are high-growth, exporting or export-ready enterprises, and/or individual enterprises operating in the metal, wood, and textile/footwear sectors (beneficiaries) aiming to expand capacity, reach more markets, and generate greater employment. Generally, high-growth enterprises have at least 10 employees and an average annualized growth in employees greater than 20 percent per annum over three-year periods. SMEs with fewer than 10 employees with demonstrated growth and potential may be eligible to apply. All organizations must be legally registered under the laws of BiH.

Grantees may include the following types of organizations:

- Individual SMEs (integrators<sup>1</sup>) from project targeted sectors;
- Group of companies with a preset internal agreement and mutual strategy;
- Research and development organizations for product development;
- Sales and marketing agencies and individuals with proven success providing Sales and Market research training;
- For-profit organizations, training institutes, private educational entities (second and third level);
- Business incubators and technology parks; or,
- Non-governmental Organizations (NGOs), business associations, chambers of commerce and development agencies.

Additionally, applicants are required to contribute cost share and are encouraged to contribute a higher proportion of the overall costs.

### Are there any restrictions on what can be funded?

WHAM Activity will not provide grants to applications that create market distortion, nor can the grants awarded be utilized for the following:

- Ceremonies, parties, celebrations, or “representation” expenses;
- Purchases of restricted goods, such as: restricted agricultural commodities, motor vehicles including motorcycles, pharmaceuticals, medical equipment, contraceptive products, used equipment (without the previous approval of USAID), or prohibited goods under USAID regulations, including, but not limited to, the following: abortion equipment and services, luxury goods, etc;
- Alcoholic beverages;

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<sup>1</sup> Integrators are those companies that apply individually, but their business model relies on vertical integration of capacities and competencies of more than one company: more than two companies will benefit from the activity.

- Purchase of goods or services is allowed under the U.S. Government authorized geographic code for procurement of goods and services under this award is 937; (United States, the cooperating / recipient country, and developing countries other than advanced developing countries, and excluding prohibiting sources); and,
- Prior obligations of and/or, debts, fines, and penalties imposed on the Grantee.
- Creation of endowments.

The WHAM Activity would not consider applications from or in partnership with:

- WHAM employees, contractors, and their family members as well as employees or family members of participating sponsors;
- Selection Committee (REC) participants, providers of technical assistance (TA), and consulting services funded by the Activity; and/or,
- Entities listed in Parties Excluded from Federal Procurement or Non-Procurement Programs.

Applicants may only submit one application per the open RFA. All applications must be in line with environmental laws and regulations on environmental protection in Bosnia and Herzegovina.

### **Section III: Application and Submission Information**

#### **How do I apply for grant funding?**

If you are an eligible organization and have a business need that aligns with one or more of the two intervention areas described above, you should apply for support by submitting a four-page concept note using the Concept Note Template attached to this RFA (the detailed budget will not be counted against the page limit). Please note that concept notes will only be accepted in the application format given in Annex 1 and must be completed in the English language.

Concept Notes and supporting documentation should be submitted electronically to the following email address: [whamgrants@iesc.org](mailto:whamgrants@iesc.org).

As for the identity of enterprises (Beneficiaries) represented by Intermediary organization (Grantee), the following information is required:

- Beneficiaries are to be identified per registration license if pre-selected (desired);
- If Beneficiaries are to be selected by the Grantee or a third party based on a future public call, the following information pertaining to the selection of prospective Beneficiaries needs to be presented:
  - Type of industry each Beneficiary belongs to;
  - Size of each Beneficiary as defined in the Section II: Eligibility;
  - Kind of product(s) which each Beneficiary manufacturers;

Questions regarding the technical or administrative requirements of this RFA may be submitted by email to [whamgrants@iesc.org](mailto:whamgrants@iesc.org). Questions must be submitted in writing; phone calls will not be accepted. Questions and requests for clarification—and the responses thereto—that WHAM 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 IESC/WHAM will be considered official and carry weight in the RFA process and subsequent evaluation. Any verbal information received from employees of IESC/WHAM or any other entity should not be considered as an official response to any questions regarding this RFA.

Applicants that submit a Concept Note will be notified within 10 business days of the RFA closing date whether they were successful.

The concept note should be accompanied by the following supporting documents and certifications:

- Copy of relevant BiH registration license
- Tax ID
- VAT number (if applicable)

#### **How does the selection process work?**

The information that you provide in the concept note will help WHAM decide if you are a suitable candidate to partner with. If your idea is sound, and corresponds with the objectives of the activity, WHAM staff will contact you to discuss your plans further. Based on this, you may be invited to develop a more detailed full application (WHAM personnel can assist you in this if required). Please note that being asked to develop a full application does not constitute an agreement to award grant funding as the final decision remains with USAID.

Developed applications will then be submitted to the WHAM selection committee for evaluation against the merit review criteria outlined in the next section. Based on the review, the selection committee will either approve, request further clarification, or reject the application. If your application is successful, it will be submitted to USAID for final review and approval. If approval of both WHAM and USAID is provided, the award will move into a final negotiation stage. Upon successful completion of this stage, the award will be finalized, and a post award management plan will be created for each grant to ensure that the award recipient will fulfil its requirements and receive any necessary technical assistance. All awards will be monitored on an on-going basis and evaluated upon conclusion. While some applications will be rejected outright, some will be referred to the applicant for improvements. In such cases, the WHAM team will assist with further

development of the application. Unsuccessful applications will receive written feedback intended to provide guidance on how to improve the application for future consideration.

**What criteria will my application be reviewed against?**

Applications submitted to WHAM will be evaluated according to the following criteria:

| <b>Selection Criteria</b>   | <b>Description</b>  | <b>Percentage weight</b> |
|---|---|--------------------------|
| 1. Potential benefit from fairs / exhibit   | Applicant(s) should describe how attending the fair will help them get better customer, new orders, expand production, etc. Here we shall look if products and market has potential for export.   | 25                       |
| 2. Quality and match of the applicant to fair                                       | Applicant(s) should describe why specific fair or other event would be beneficial to them. We shall evaluate based on the match between products and services company can offer and fairs being selected.   | 25                       |
| 3. Estimated number of people trained/employed through this effort in the next year | Applicant(s) should estimate the expected number of people trained/employed by them during the period of maximum 12 months that are direct result of this activity.   | 15                       |
| 4. Estimated increase in sales and revenue  | Applicant(s) should describe what they expect in terms of sales and revenue increase as a result of this activity.  | 15                       |
| 5. Estimated cost per trainee/employee  | Applicant(s) should provide a detailed breakdown of costs per trainee/new employee.   | 10                       |
| 6. Organizational capacity  | Applicants should demonstrate that they have the organizational and financial capacity to implement this grant  | 5                        |
| 7. Cost-share /Leverage ratio.  | Applicants must describe how the grant funding will be used and will be required to match the grant requested with their own funding (or leverage third-party resources). Also, evaluation may be based upon percentage amount rather than the total value of the USD amount. | 5                        |

Applications containing the following will be viewed favorably:

- Higher employment generation – please note that new jobs are defined as persons being fully employed by the applicant, or partner, which would be documented through official employment records upon grant closeout. To not disadvantage a





|                     |       |                  |
|---------------------|-------|------------------|
| Name of the project | Donor | Results achieved |
|                     |       |                  |

7. **Grant activity title:**

8. **Problem analysis and statement:**

9. **Grant objective:**

10. **Results to be achieved, linkage to grant objective, and verifiable indicators of achievement:**

11. **Identify beneficiaries, disaggregated by gender if possible, number, and how they will benefit from grant:**

12. **Anticipated duration of activity from start to finish:**

13. **Main task phases of the activity:** [Include Calendar activities with estimated periods, responsible and expected results.]

|                | <b>Time (periods)</b> | <b>Responsible</b> | <b>Expected Results</b> |
|----------------|-----------------------|--------------------|-------------------------|
| Task 1:        |                       |                    |                         |
| Task 2:        |                       |                    |                         |
| Task 3: (etc.) |                       |                    |                         |

14. **Approximate cost of this activity (cash, in-kind, and third-party sources):**

| <b>Organization</b>   | <b>Total Amount in Bosnian Convertible Mark</b> |
|---|---|
| Estimated Funding Requested from IESC/WHAM                                    |   |
| Grant Applicant Resources (Cost share) *                                      |   |
| Third-Party Resources (leverage - identify source and add lines as needed) ** |   |
| <b>Total Estimated Cost</b>   |   |

\*Resources Grant Applicant is providing either in cash or in-kind.

\*\*Third party resources include resources provided to the grant that are not provided by either the Grant Applicant or WHAM. Identify source and add lines as needed if more than one source.

15. **Budget:** Provide a detailed budget of costs requested from Workforce and Higher Access to Markets (WHAM) Activity under this grant.