



**Pastoralists' Areas Resilience Improvement through Market Expansion
(PRIME)
Innovation and Investment Fund (IIF)
Request for Applicants (RFA)
Innovation Grants**

Program Overview

PRIME is a 5-year, \$52 million USAID-funded project designed to increase household incomes and enhance resilience to climate change through market linkages in Ethiopia's dryland areas. Intermediate Results under the PRIME project include: increased livestock productivity; increased capacity of communities to respond to climate change; improved access to alternative livelihoods; improved nutritional outcomes; and improved knowledge management and learning for pastoralist issues. PRIME's Innovation and Investment Fund (IIF) is a program facility that is designed to strengthen the resiliency of Ethiopia's pastoralist areas by providing financial and technical assistance to private companies and other organizations that participate in the value chains and markets important for the pastoralist areas.

Fund Overview

The Innovation and Investment Fund (IIF) was designed to support activities across all Intermediate Results through targeted investments in the form of technical assistance, matching grants, and service contracts with research institutes, NGOs, private-sector, financial institutes, private equity firms and others with the aim bringing innovation and technology into use. Targeted investments made in partnership with other stakeholders will leverage program and partner resources to catalyze sustainable growth.

Focus of Small Grants RFA

A large body of evidence and experience on working with pastoralist communities already exists. The purpose of this RFA is to build on that body of knowledge and identify opportunities to bring that knowledge into use within PRIME's target communities. The focus is on bringing information, technologies, and practices that have been previously researched or tried, into greater use and then feeding the results back into the wider body of knowledge.

PRIME recognizes that the motivation to innovate can be the opportunity to make money, or the need to cope with a new challenge - such as a changing climate, a policy change, or shifting consumer demand. New technology can also stimulate innovation as it presents opportunities for doing things differently, often in ways not foreseen by the technology developer.

Research is an important source of new knowledge, but its real value only emerges when this is combined with ideas and practices that come from entrepreneurial and social activity.

The objective of this RFA is to encourage and invite eligible applicants with innovative ideas and new approaches to enhance competitiveness, profitability and sustainability in the livestock sector, support activities which help communities understand and cope with climate change, and work along institutions that are focusing on building capacity through essential skill transfer and entrepreneurship in the pastoral community.

Eligibility and Structure of Funding

Legally registered Ethiopian research institutes, universities, NGOs, small and medium enterprises with activities that benefit the economic and market development of Afar, Oromiya and Somali regions, and that require funding for research that are in-line with PRIME's objectives, training, marketing, technical assistance or other one-off expenses are eligible to apply for grants of USD \$25,000 - \$150,000.

The Mercy Corps IIF funding is typically provided in a form of a matching grant. Applicants of profit-making entities must be prepared to match the IIF's contribution for the proposed activity on an approximately equal basis; non-profit applicants are strongly encouraged to demonstrate cost share in order to improve the competitiveness of their proposal. All activities and items funded must be allowable under USAID procurement policies and governing regulations. Activities funded under this RFA must be completed by July 31, 2017.

Application and Selection Process

This RFA is open for eligible entities to apply in the period Jan 15 – Dec 15, 2014. Prospective applicants may submit their application using the following application process.

PRIME uses a two-tiered competition for all types of recipients. This ensures that potential applicants are evaluated and pre-qualified prior to the development of a full proposal. Interested applicants can request a copy of the Concept Note (also called Application Interest Form (AIF)) via e-mail. After an initial review to determine that the applicant is eligible and that the concept is in line with the focus of the RFA, a full proposal with detailed implementation approaches and a detailed budget will be requested of the best applicants from the initial competition. An optional IIF management and compliance training, including an individual session with the awardee to assess and improve their application, may also be offered.

Screening and evaluation are conducted on the basis of the eligibility requirements noted above, certain USAID considerations, including environmental compliance, and the following criteria:

- Well-researched and presented Concept Note/Proposal
- Evidence of previous research/use of the proposed innovation and a clear description on how the proposed activities will further both innovation and learning. (The previous research/use does not need to have been implemented by the Applicant, but the Applicant must demonstrate the capacity to implement the work described.)

- Appropriate cost sharing
- Potential for impact, and alignment with PRIME objectives for economic and social development of the target areas and increased resilience of target communities.

Awards will only be made to applicants that meet the specific needs of PRIME and the IIF.

Monitoring and Evaluation

PRIME will collaborate with the recipients of IIF funding to define and track a set of indicators of success. Performance against these indicators will be monitored for the remainder of the PRIME program, and periodic reporting will be required. PRIME may request additional information or may offer technical assistance to enhance the performance of the venture.

Participating Organizations

- United States Agency for International Development (USAID) (**DONOR**)
- Mercy Corps
- CARE
- Kimetrica
- SOS Sahel
- Haramaya University
- Afar Integrated Sustainable Development Association (AISDA)
- Horn of Africa Voluntary Youth Committee (HAVYCO)
- Ethiopian Center for Disability and Development (ECCD)
- Aged and Children Pastoralist Association (ACPA)

For Application Interest Form (AIF) and further information, please e-mail: prime@et.mercycorps.org