



**CALL FOR CONCEPT PAPERS ON
BLENDED FINANCE: LEVERAGING PRIVATE CAPITAL AND SUPPORTING
ENTREPRENEURS TO ACHIEVE EDUCATION DEVELOPMENT OUTCOMES IN
SUB-SAHARAN AFRICA**

Frequently Asked Questions (FAQs) - June 2019

These Frequently Asked Questions (FAQs) reflect questions that have been submitted via edfinance@usaid.gov and during the May and June webinars.

GDA Addendum and Process Questions:

- 1. Where is information posted for the Global Development Alliance (GDA) Addendum on Blended Finance: Leveraging Private Capital And Supporting Entrepreneurs To Achieve Education Development Outcomes In Sub-saharan Africa?** Information can be found on www.grants.gov at <https://www.grants.gov/web/grants/view-opportunity.html?oppId=314787>. The funding opportunity number is: 7200AA19APS00009.
- 2. Webinars about the GDA Addendum can be found on** www.grants.gov at <https://www.grants.gov/web/grants/view-opportunity.html?oppId=314787>.
- 3. The following documents provide specific details and guidance related to questions about definitions of private sector funding, leverage, and the co-creation process:**
 - [FY2016 - FY2018 Global Development Alliance \(GDA\) Annual Program Statement \(APS\) No. APS-OAA-16-000001](#)
 - [Resources for GDA Applicants](#)
 - [FAQs for the GDA APS](#)
- 4. Does this funding opportunity support individuals or scholarships?** No.
- 5. Do organizations need to submit a Concept Paper in a particular format?** Yes, please see the [Concept Paper Template](#) and [GDA Resources for Applicants](#).
- 6. When does the call for Concept Papers end?** Please send [Concept Papers](#) to the Education Finance Team (edfinance@usaid.gov), with a copy to gda@usaid.gov by 12:00 p.m. (Noon) EDT on August 11, 2019. Concept Papers must be submitted by the deadline in order to be considered.
- 7. When will applicants hear back from USAID's Office of Education on the status of their Concept Paper?** Final Concept Papers are due on August 11, 2019. However, USAID encourages organizations to submit Concept Papers that meet the requirements of this addendum and the GDA APS as soon as feasible. While USAID/E3/ED will review Concept Papers on a rolling basis, applicants under the GDA APS may not receive a response regarding final decisions from USAID until 45 days after the due date. Applicants are asked to wait until 45 days after the due date before inquiring about the final status of their Concept Paper.

Funding and GDA-Related Questions:

- 8. The following documents provide specific details and guidance related to questions about**

definitions of private sector funding sources and leverage?

- [FY2016 - FY2018 Global Development Alliance \(GDA\) Annual Program Statement \(APS\) No. APS-OAA-16-000001](#)
- [Resources for GDA Applicants](#)
- [FAQs for the GDA APS](#)

Questions about Technical and Geographic Issues:

- 9. Can the Concept Paper cover a single country or should it include multiple countries?** (See “Evaluation Criteria” in Section III of the Addendum) Concept Papers are encouraged to take a multi-country approach and exhibit strong knowledge and understanding of the goals and objectives of these USAID countries. The Democratic Republic of the Congo, Rwanda, South Africa, and Zambia are of priority interest. Other countries include Ethiopia, Ghana, Liberia, Malawi, Mali, Niger, Senegal, Somalia, South Sudan, Tanzania, and Uganda.
- 10. Does it matter where an organization is based?** No, as long as the applicant’s primary activities occur, or the enterprises with whom it works reside, in USAID presence countries.
- 11. Is the focus on primary education, secondary or vocational or all?** We encourage Concept Papers that look at opportunities at one or multiple segments along the entire education spectrum. This includes inclusive, quality formal and informal education, around early childhood, primary, secondary, post-secondary, and higher education, engage underserved populations.
- 12. How is this program different from Development Innovation Ventures (DIV) and Grand Challenges for Development?** Programs like DIV and Grand Challenges for Development fund individual innovators, enterprises, and entrepreneurs. This Addendum focuses on mobilizing finance to and stimulating innovation in the education sector through partnerships with the private sector that support areas relevant to [USAID’s 2018 Education Policy](#) in selected Sub-Saharan African countries. USAID is particularly interested in working with financial intermediaries to support entrepreneurs who provide direct and ancillary education services. In addition, USAID is interested in working with those organizations that are working on results based financing in education, particularly in crowding in both public and private finances. USAID expects that prospective partnerships will involve a variety of actors, for example, collaboration with local organizations, local companies, non-commercial entities, such as community and faith-based organizations and associations.
- 13. Is there a preference towards applications that include vulnerable populations within their proposed program and activities?** Yes, preference will be given to alliances that engage underserved populations.
- 14. Does this Addendum target only social enterprises?** No. This Call for Concept Papers is focused on financial intermediaries, non-state education sector and entrepreneurship broadly and seeks to support the development of a wide array of for-profit traditional and social enterprises.
- 15. How are you defining entrepreneurs?** USAID has a preference for entrepreneurs and businesses prioritizing improved learning outcomes and serving low-income communities, as explained in the Addendum’s evaluation criteria.
- 16. What is USAID's strategy for enhancing partnership outreach with faith-based entities?** USAID encourages the engagement and participation of faith-based entities in this initiative.

- 17. Can funding be used for infrastructure?** This would be considered within the context of the overall Concept Paper, the evaluation criteria, and impact.
- 18. Would an organization be eligible for funding if they have received some funding previously from private equity funds?** Yes, previous funding is not a problem, but would not count as leverage towards USAID funding. Leverage should be mobilized for the explicit purpose of supporting and advancing the specific alliance being proposed as part of this initiative.
- 19. What does financial sustainability look like for USAID?** USAID expects applicants to clearly articulate how they anticipate becoming financially sustainable over time, and where on the path towards financial sustainability they anticipate being by the time the partnership with USAID has ended. Please review USAID's Journey for Self-Reliance Framework and Country Development Cooperation Strategies (CDCS) for information.
- 20. What types of metrics does USAID expect to track impact?** USAID expects that organizations submitting Concept Papers will have a well-defined theory of change, and will propose metrics that will allow the organization to track and communicate its impact. Each organization will likely have different metrics, and USAID will work with successful applicants to identify some common metrics across grantees as applicable. USAID prioritizes working with partners that gather robust data as part of their program design and implementation in order to inform ongoing monitoring, evaluation, and learning. This allows USAID and partners to contribute to the global policy dialogue on private sector engagement in education, and iterate and course correct as needed. Preference will be given to partnership proposals that propose metrics and data gathering, and commit to sharing evidence and lessons with the wider development, entrepreneurship, and impact investing communities.
- 21. What would outcomes for a fund such as this look like - throughput, learning outcomes, etc.?** Evaluation criteria can be found within the GDA Addendum at <https://www.grants.gov/web/grants/view-opportunity.html?oppId=314787>.
- 22. Who is first point of contact on any questions regardless of country or sector?** The applicant should contact the Technical Team at edfinance@usaid.gov to discuss.

Questions about Partnerships:

- 23. What kinds of partnerships does this Addendum target?** USAID encourages and seeks partnerships related to the education sector that can: (1) identify, refine, and improve investment models; (2) innovate in service delivery and/or resource mobilization through private sector approaches; and (3) identify and/or address challenges, gaps, and barriers to private sector investment in the education sector. This will help ensure that the appropriate financial support and capital is available to small and growing businesses which provide education and training or ancillary education services.
- 24. Can you define what you mean by PPP? Does it have to be a PPP model or could it just be providing an innovative private sector solution targeting the most marginalized?** We look to the applicants to identify their approach based on best practices and impact, and then work with USAID during the co-creation process to finalize any partnership structure.
- 25. How many partnerships are being targeted for this initiative?** USAID may allocate between \$10 million - \$40 million to fund one or more awards, under which there would be multiple partners and

partnerships.

- 26. Can we team up with other organizations to propose a Concept Paper?** We encourage coalitions of organizations, potentially with a lead organization, to develop concepts that draw on the different strengths and core capabilities of each organization. However, USAID is open to suggestions regarding the governance structure of the proposed partnership.
- 27. Does the alliance have to be finalized at the time a Concept Paper is submitted?** USAID will closely examine the nature and level of private sector engagement and commitment. Letters of support from prospective private sector partners are required and serve as indicators of such engagement and commitment. In addition, private sector resource commitments should be clear and the Concept Paper should demonstrate how the 1:1 private sector leverage requirement and/or the 3:1 private sector leverage requirement for financial intermediaries are being met. However, proposed alliances do not have to be finalized at the time a Concept Paper is submitted. In fact, alliances typically evolve significantly after a Concept Paper is reviewed and the GDA APS process is designed to support such evolution. Applicants should be interested in and remain open to continued co-creation and possible changes to the alliance proposed in the Concept Paper.
- 28. Will USAID provide match-making post-concept?** USAID may convene discussions or events to help facilitate partnerships. This will be considered at the appropriate time. These discussions may be virtual or in-person.

Communications:

- 29. Can prospective applicants contact USAID about technical issues before the Concept Paper Submission deadline?** Prospective applicants are encouraged to contact the Technical Team at edfinance@usaid.gov with any specific inquiries or questions about whether their initial ideas are consistent with the objectives of the Education Finance Initiative. In addition, if a prospective applicant is NOT a private sector entity as defined in the GDA APS, such an applicant should connect their prospective private sector partner(s) to the Technical Team at edfinance@usaid.gov. Under the GDA APS, USAID personnel can have robust and extensive discussions with prospective private sector partners with regard to potential alliance ideas and activities.¹ Such discussions help foster the co-creation that is core to the Global Development Alliance approach and will be valuable to non-private sector applicants as they develop a Concept Paper with their private sector partners. USAID will conduct initial reviews and may contact the applicant and the applicant's partners for additional information or a revised Concept Paper. For prospective alliances that warrant further consideration, USAID, the applicant and the prospective partners to the proposed GDA will engage in robust discussions aimed at jointly developing a partnership. If those discussions are productive, USAID may request a full application.

¹ If the private sector entity is also seeking to be a recipient of a USAID award, E3/ED, in collaboration with the GDA APS Activity Manager, will provide additional guidance regarding the nature and scope of communication prior to submission of a Concept Paper.