

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

**Solicitation number: WHAM-AID-168-LA-17-00001-003**

**Issuance Date: July 18, 2018**

**Closing Date: September 12, 2018**

**Total Potential Funding: USD 150,000**

**Expected number of grants: 2 to 4**

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

**Reference:** Workforce development trainings for wood processing and/or textile/footwear computer numerical controlling (CNC) operators and/or programmers

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, prime 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 September 12, 2018. 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 September 5, 2018. Please write "CNC training activities" in the subject line.

This RFA contains the following attachment:

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's (BiH) trade integration with and expansion into European Union (EU) markets. This will be accomplished via a grant program open to eligible enterprises with specific encouragement to small and medium enterprises (SMEs). Grants will prioritize high-growth, exporting or export-ready

enterprises aiming to expand capacity, reach more markets, and generate greater employment.

### **Background**

BiH has a shortage of computer numerical controlling (CNC) programmers/drawing (preparation process) and cutting operators (execution process). These workforce skills represent a valuable yet scarce resource that is in high demand given its importance to SMEs' growth, including successful integration into global supply chains. CNC operating is one of the most revolutionary production tools currently used in manufacturing around the world today. CNC operating capacity presents a comparative advantage that enhances the level and quality of production. The market shows that companies with the ability to perform rapid prototyping and provide fast development of production processes with proper zero series execution have a higher success rate in landing new clients and jobs. Rapid prototyping allows companies to realize their designs concepts, incorporate changes in production instantly, save costs and time needed for production, customize products and parts, and enhance designs as well as minimize flaws and errors in production. Having CNC skills in house allows companies to expand their production portfolios while increasing their sales and exports significantly.

The lack of CNC capacity is a serious constraint on the growth of BiH SMEs related to EU market access, higher profit margins, and advancing BiH competitive brands. In BiH wood processing, textile, and footwear sectors, there are several examples of companies that have shifted towards CNC operations. In these cases, CNC has allowed them to increase their competitiveness, reach new markets, increase quality and production efficiency, and significantly reduce production and delivery times. However, a problem BiH SMEs are facing is the lack of skilled and qualified CNC operators and programmers. The formal educational system does not provide a stable supply of workers with these technical skills and qualifications; hence, companies are forced to find alternative methods to educate and train their workers in these skills. For BiH wood processing SMEs to reach the the 48.8 billion Euros EU market for wood and wood related products CNC is a must. For textile and apparel enterprises to curb BiH's over-reliance on Lohn production and improve brand development, CNC capacity offers greater value-addition capacity to downstream buyers and increased production quality control capacity.

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

The WHAM Activity intends to support initiatives that lead to adding new qualified CNC operators and programmers and/or enhance the competencies for CNC cutting.

To support SMEs in having a readily available pool of qualified CNC operators and programmers, the WHAM Activity will support proposals that aim to organize and provide CNC training services, and/or create a service center that could provide qualified labor force

while sustaining and building competencies for one or more of the WHAM Activity targeted sectors.

The WHAM Activity invites local SME's, groups of SMEs with the same or similar needs, training institutes, design studios, educational and training centers, universities, and companies that are integrators in their segment, to form an interest-based alliance (private-private or public-private) to submit a proposal to efficiently and effectively create solutions that address the following workforce development and technical assistance areas (select and strategize):

- Lack of qualified CNC operators and programmers;
- Lack of sustainable training and education in CNC programming, design, and cutting;
- Ability to perform rapid prototyping with increased CNC capacity or other solutions; and/or,
- Capacity to perform flexible cutting operation that will service multiple partners/productions.

#### **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:

- Support training initiatives related to CNC cutting and product development skills within both public and private sectors;
- Assist in the development of new training initiatives targeting CNC cutting and product development skills;
- Facilitate and co-support the establishment of new regional training centers and bodies in cooperation with public and private sectors to address training needs and initiatives in the BiH textile (footwear) and wood (upholstered furniture) industries;
- Support local high school and/or university initiatives to update existing and/or establish new training/practice centers with private sector SMEs to address skill gaps related to CNC cutting and product development skills; and/or,
- Co-finance the purchase of training equipment for business training/educational/service centers and vocational schools where adequate business opportunities related to generation of employment exist.

#### **Volunteer Experts:**

A distinctive feature of the WHAM Activity is its ability to field volunteer experts through the Activity's prime implementer, the 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 textile (including footwear) and wood (including upholstered furniture) industries (Beneficiaries), aiming to expand capacity, reach more markets, and increase employment. Generally, high-growth enterprises have at least 10 employees and an average annualized growth in employees greater than 20 percent per annum over a three-year period. 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.

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

Grantees may include the following types of organizations:

- Group of SME companies from the above-mentioned targeted sectors;
- Individual SME companies (integrators<sup>1</sup>) from the above-mentioned project targeted sectors;
- For-profit organizations, training institutes, private educational entities (second and third level);
- Research and development organizations for product development;
- Business incubators and technology parks;
- Educational institutions such as schools, universities, adult education centers; and,
- Non-governmental Organizations (NGOs), such as business associations and development agencies.

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

The 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

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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.

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.
- 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).
- 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 the following:

- 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.
- Entities listed in Parties Excluded from Federal Procurement or Non-Procurement Programs.

Applicants may only submit one application per open RFA. All applications must be in compliance with environmental laws and regulations on environmental protection in BiH.

### **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 the 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 Grantee or a third party based on a future public call, the following information pertaining 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) each Beneficiary manufactures;

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; please write “CNC training activities” in the subject line; 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. 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 the 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 back 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:

Selection Criteria	Description	Percentage weight
1. Experience providing CNC training and relevant results to date	Applicants should describe their previous experience providing CNC trainings and describe the type of curriculum available and signify if the curriculum has already been tested. Applicants should note if they need assistance developing a new curriculum or improving their existing one.	10
2. Soundness and innovativeness of the proposed training model	Applicants should describe how their training modules consider the current needs of the SMEs and market trends. They should also describe the duration of the training and the percentage of theoretical and practical training expected. Applicants should also describe the type of credentials (certificate, diploma, etc.) a person will have after completing the training.	25
3. Estimated numbers of people trained through this effort in the next two years	Applicants should estimate the expected number of people to be trained by them. Also describe the pre-requisites needed to participate in the training. Applicants should also describe the expected outreach activities to attract students to participate in their program. Applicants should also provide the expected costs a person will incur to participate in their program. Small businesses are encouraged to apply together to share the effort and cost.	15
4. Proposed or existing linkages	Applicants should describe their current or potential partnerships with SMEs geared towards facilitating future employment for trainees.	20

with SMEs for job placement		
5. Estimated Cost per person trained	Applicant(s) should provide a detailed breakdown of costs per trainee.	10
6. Organizational capacity	Applicants should demonstrate that they have the organizational and financial capacity to implement this grant.	10
7. Cost-share/ Leverage ratio.	Applicants must describe how the grant funding will be used and will be required to match the grant amount 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.	10

Applications containing the following will be viewed favorably:

- Higher potential to increase export sales documented through the creation of long-lasting and profitable export contracts;
- 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 smaller enterprise or group of smaller enterprises from applying, applications will be evaluated as a percentage increase, regardless of the actual amount.
- Provision of effective technical assistance to a larger number of SMEs and beneficiaries;
- Higher number of female/youth participant; and/or,
- All other evaluation factors being equal, WHAM may assess applicants that have not received previous USAID funding more favorably. Applicants that haven't received previous USAID funding are highly encouraged to apply.

#### **Availability of Funds and Other Considerations**

Issuance of this RFA does not constitute an award commitment on the part of the Workforce and Higher Access to Markets (WHAM) or International Executive Service Corps (IESC), nor does it commit USAID or the USG to pay for costs incurred in the preparation and submission of the concept note and grant application.

WHAM/IESC reserves the right to fund any or none of the applications submitted, to extend or shorten the due date for applications, and to make grant awards on a revised schedule. Grant awards will be subject to the availability of funding in the grant fund.



**Annex 1:**

**B.3. Concept Note Instructions and Template**

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**WORKFORCE AND HIGHER ACCESS TO MARKETS (WHAM) ACTIVITY  
GRANT CONCEPT PAPER**

- 1. This Concept Note is in response to RFA number:**
- 2. Organization's Name:**
- 3. Address:**
- 4. Telephone:**                                  **Fax:**                                  **E-mail:**
- 5. Key contact person and title:**
- 6. Briefly describe organization, purpose, and three past related experiences:**

Name of the project	Donor	Results achieved
Name of the project	Donor	Results achieved
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.