

USAID AFRICA TRADE AND INVESTMENT TIPS SHEET: APPLYING FOR USAID FUNDING

The USAID Africa Trade and Investment (ATI) activity is designed to bolster the U.S. Government's ability to boost trade and investment to, from, and within the African continent. This work advances the U.S. Government's Prosper Africa initiative to strengthen the strategic and economic partnership between the U.S. and Africa by catalyzing transformative two-way trade and investment flows.

The activity works together with the African private sector to achieve Africa's vision for inclusive economic growth. Unlike traditional development programming, ATI activities are co-created and implemented with and through the private sector. Yet, private-sector companies that are new to USAID funding often need a deeper understanding of the language used within the industry, donor expectations, and the indirect benefits of partnering with a USAID-funded program.

ATI co-designs directly with potential partners to strengthen their application, and thinking, to leverage the funding for maximum results. Throughout the process, ATI ensures that the partner fully understands USAID reporting requirements, that payment is tied to results, and more.

The following tips are meant to support you – a potential ATI partner – in completing the funding application and capitalizing on the opportunity to make a sustainable impact on job creation and inclusive economic growth across the African continent.



GETTING STARTED

- The complete application is the foundation for the “grants under contract” with you and DAI, the company contracted to implement ATI, will sign to establish this partnership. Please complete it as accurately as possible. The total application should be no more than 10 pages, excluding budgets and annexes. Do not go over. It is perfectly fine to take content directly from your concept note, where applicable.
- The day you sign the contract is the starting date of the project. You cannot add costs or report results before that date.
- Describe a variety of partnerships that your company already has from donors to government leaders to community associations to financial institutions. Who else is contributing to your proposed activities? Unpack how USAID's funding now will lead to other sources of funding – self-finance, investor, bank loan, donor – that demonstrate the sustainability of your activity.
- Define your geographic reach. The geographic focus on the application is referring to primary areas of operations within a specific country, group of countries, or region(s). For country-specific applications, we are also interested in the impact in specific districts or counties, depending on the subdivision of the specified country.
- If the activity targets specific groups of people (e.g., women or youth) identify who and how many will be targeted or included in the activity and how they will benefit from the activity.
- The grant summary should be a high-level description. A couple of sentences is fine. Pull from your concept note. Answer anything that the form says should be included.
- Give several challenges when setting the context, i.e., access to finance, lack of investment opportunity, soil health, access to quality inputs, climate change pressures. If target groups of people were included in the solicitation, include the specific challenges they face.
- Activity and task are interchangeable words within the application.
- As part of the due diligence process, ATI will conduct a capacity assessment of your company, which includes environmental compliance and other social and legal compliance required by your government and by the U.S. government.





MEASURING SUCCESS

- For grants under the ATI APS, the primary measures of success are the number and value of trade and investment deals closed and job creation. The estimated figures should be ambitious, but realistic.
- For grants under the food security APS, the primary measure of success is the number of people reached as a result of this funding. This is a USAID-required indicator, and you must report on this indicator every quarter. The estimated number of people needs to be ambitious, but realistic. The number of people reached will need to be disaggregated by age range and gender. Please think about how you can accurately count the people who will be reached by your program.
- The ATI team will share a sample table of outcomes and outputs. There is a difference between outcome (the big achievement because of this grant) and outputs (the metrics to measure production). If you are unclear about the difference, let the team know.



SETTING MILESTONES

- You will need to develop a milestone table, which will be used to make payments based on deliverables achieved. The number of milestones will be negotiated with ATI, but it is rare for a grant to have only one milestone. It is advised to distribute the milestones evenly based on the workplan to ensure financial liquidity during the grant implementation period. Quarterly progress reports are not payable milestones as they are simply updates.
- Your application, including the workplan and the output and outcome section, are the building block for your milestones table.



ALL THINGS MONEY

- The most common award type under ATI is a Fixed Amount Award, also known as pay for results. You will be paid for your performance based on the milestones stated in your contract.
- Be sure to review the budget instructions. You must follow the budget template – you cannot submit in your own format.
- ATI pays in local currency based on the exchange rate on the day the payment is processed.
- ATI cannot fund construction, but you can fund it with your own contribution or leveraged funds.
- If you plan to purchase machinery or equipment, please consult ATI grants managers as soon as possible because there are additional requirements.



LEVERAGING YOUR CONTRIBUTION

- Although the application says leverage is optional, it is not. ATI expects at least a 1-to-1 leverage. Please consider a higher amount if possible and realistically attainable.
- The expectation is that leverage will include new capital injected into the project, such as in the form of loan, equity, or cash. ATI seeks partners that demonstrate a willingness to contribute their own resources to achieve results.
- You cannot use other grants as part of leverage. However, you can use loans you will receive because of this funding.



To learn more about funding openings available through the USAID Africa Trade and Investment activity, visit atiprogram.com.