



Digital Frontiers Request for Application (RFA)

RFA No.	2023-03
Issue Date	June 20, 2023
Title	Kenya Financial Health and Protection Activity
Issuing Office & Email	Digital Frontiers c/o DAI, DigitalFrontiers@dai.com
Deadline for Receipt of Questions	June 27, 2023, 5pm EST, to DigitalFrontiers@dai.com
Anticipated Deadline for Application Submission	July 18, 2023, 5pm EST, to DigitalFrontiers@dai.com
Point of Contact	DigitalFrontiers@dai.com
Anticipated Award Types	Fixed Amount Award/Standard Grant
Budget	\$150,000 - \$250,000.

DAI, the implementer of the USAID-funded Digital Frontiers Cooperative Agreement, invites qualified organizations to submit applications to identify, implement and/or scale solutions that mitigate the risks leading to, or resulting from over-indebtedness or a decrease in financial health associated with increased access to digital lending and digital financial services more broadly. Please refer to the Program Description for a complete statement of goals and expected results. Digital Frontiers is a \$90 million buy-in mechanism available to USAID Bureaus and Missions from 2017-2024.

DAI implements the Digital Frontiers project, which works closely with USAID's Technology Division in the Innovation, Technology, and Research Hub (ITR/T) at the Development, Democracy, and Innovation (DDI) Bureau, USAID Missions, the private sector, and international and local development organizations to identify successful and sustainable digital development approaches and scale their impact globally.

Applications must be received via email to DigitalFrontiers@dai.com. Any questions concerning this RFA should be submitted in writing to the same email address. Award will be made to the responsible applicant whose application offers the best value and meets the eligibility requirements. DAI, as primary implementer of Digital Frontiers, reserves the right to fund any or none of the applications submitted.

Issuance of this RFA does not constitute an award commitment on the part of DAI, nor does it commit DAI to pay for costs incurred in the preparation and submission of an application. Further, DAI reserves the right to reject any or all applications received. Applications are submitted at the risk of the applicant. All preparation and submission costs are at the applicant's expense. DAI reserves the right to fund any or none of the applications submitted.

Thank you for your interest in Digital Frontiers activities!

WARNING: Prospective Applicants who have received this document from a source other than the DigitalFrontiers@dai.com email address, should immediately contact DigitalFrontiers@dai.com and provide their name and email address in order that amendments to the RFA or other communications can be sent directly to them. Any prospective Applicant who fails to contact DigitalFrontiers@dai.com assumes complete responsibility in the event that they do not receive communications prior to the closing date. Any amendments to this RFA, questions and answers, or other communications will be issued from DigitalFrontiers@dai.com.

Table of Contents

Section A. RFA Application Instructions	3
Section B. Application Preparation Instructions	4
RFA Application Checklist:	6
Section C. Selection Process	7
Section D. Special RFA Requirements	8
Section E. Project Description	10
Annex 1: Mandatory Standard Provisions	11
Annex 2: Certifications, Assurances, Other Statements of the Recipient	12
Annex 3: Sample Budget and Budget Narrative	13
Annex 4: Financial Capability Questionnaire	14
Annex 5: Instructions for Obtaining CAGE/NCAGE Code, SAM Registration, and UEI Number	20
Annex 6: Past Performance Matrix	22
Annex 7: Cover Letter	22

Section A. RFA Application Instructions

Eligibility Requirements

Applicants must meet the following minimum requirements to participate in this RFA:

- Applicants must be registered US or non-US organizations regardless of type (for example: for profit, not-for-profit, civic groups). Applicants must either be:
 - Civil society organizations dedicated to policymaker / regulator facing-advocacy initiatives focused on consumer protection and supervision;
 - Other entities that can demonstrate experience in this, the consumer protection, lending, or other relevant sectors;
- All Applicants must be willing to forego profit per 2 CFR 700.13;
- The following are not eligible:
 - Government entities
 - Individuals
- Applications must be submitted in English.

Responsibility Determination

Digital Frontiers will not enter into a subagreement with an Applicant prior to ensuring Applicant responsibility. Required documentation includes:

- Evidence of legal documentation or licenses to operate in your country of registration;
- Confirmation that products or services used in the performance of the subagreement are not from a Prohibited Country (explained in Section C);
- Evidence of a Unique Entity ID (UEI) number, CAGE/NCAGE code, and proof of registration with the System for Award Management (SAM) (explained in Annex 5). Evidence of these items are not required to submit an application, but must be provided if selected for a subagreement;
- Documentation that the Applicant can comply with the award conditions, has a satisfactory record of integrity and business ethics, and has the required financial capacity (explained in Annex 4);

Deadlines

Applications must be received via email to DigitalFrontiers@dai.com by July 18, 2023 at 5pm EST. Please include the RFA number (2023-03) in the subject line of the email.

Requests for clarification or additional information must be submitted in writing via email to DigitalFrontiers@dai.com by June 27, 2023 at 5pm EST. No questions will be answered by phone. Any verbal information received from a DAI or Digital Frontiers employee or other entity shall not be considered as an official response to any question regarding this RFA. Copies of questions and responses will be distributed via email to all prospective applicants who are on record as having received this RFA after the submission date specified in the Synopsis above.

Late Applications

All applications received by the deadline will be reviewed for responsiveness and programmatic merit according to the specifications outlined in these guidelines and the application format. Section D addresses the evaluation procedures for the applications. Applications which are submitted late or are incomplete run the risk of not being considered in the review process.

Cover Letter

A cover letter shall be included with the proposal on the Applicant's letterhead with a duly authorized signature using Annex 7 as a template. The cover letter shall include the following items:

- The Applicant will certify a validity period of **90 days** for the cost application;
- Acknowledge the solicitation amendments received under this RFA process.

Section B. Technical Application Preparation Instructions

The deadline to submit applications is July 18, 2023 at 5:00 pm EST. A complete application consists of the following:

- Cover Letter
- Technical Application (5-10 pages);
- Workplan for implementation (Gantt chart);
- Personnel Plan;
- CVs of project team members (maximum 3 pages each);
- Past Performance Matrix (Annex 6);

Page Limitation: Technical Applications should be specific, complete, presented concisely and shall not exceed **ten (10) pages**. This page limit is **exclusive** of the Cover Letter, Workplan, Personnel Plan, CVs (no more than three (3) pages each), and Past Performance Matrix elements.

Technical applications must include the following elements:

Technical Approach

- Narrative summary (5-10 pages) of services proposed to implement activities of the Program Description included in Section E. The narrative should describe:
 - The proposed theory of change including defining the target population
 - How the intervention's impact on financial health/over-indebtedness will be measured
 - Cost effectiveness and technical efficiency of the proposed approach;
 - How the proposed approach will be tailored to the Kenyan digital lending market
 - How the proposed approach will be sustainable, specifically how it will leverage other sources of funding following this subaward to potentially scale a successful solution
- Workplan that outlines how the Applicant will approach and implement the Program Description in the timeframe specified in the RFA.

Personnel Plan and Qualifications

- Personnel plan outlining proposed personnel for this activity and a description of their roles and responsibilities as defined by the Program Description. Applicants should demonstrate that their proposed team members have the necessary experience and capabilities to carry out the Technical Approach. Personnel must meet the required qualification listed in the Program Description.
- CVs or bios (max 3 pages each) of key named personnel demonstrating relevant qualifications required to implement the Program Description.

Past Performance Examples

- Past Performance Matrix per the template in Annex 6. The matrix should include a list of at least three (3) recent similar projects highlighting relevant Kenya experience. The information shall include the legal name and address of the organization for which services were performed, a description of work performed, the duration of the work and the value of the award, and a current contact phone number of a responsible and knowledgeable representative of the organization. This information may be used for validation of experience or reference checks.

Section C. Cost Application Preparation Instructions

Instructions for Cost Application Submission

Cost Applications should clearly demonstrate and justify applicants' proposed use of funding. Using the template included in Annex 3 of this RFA, Cost Applications must include:

- Budget (Annex 3);
- Budget Narrative (Annex 3);
- Completed Financial Capability Questionnaire (Annex 4);
- NICRA or Audited Financial Statements;
- Registration of Incorporation Documents;
- Personnel, finance, and procurement manuals.

Completed Budget. All budget lines must be clearly linked to specific project activities. See attached Annex 3 for the budget template. Supporting information shall be provided, as necessary, in sufficient detail to allow a complete analysis of each line-item cost.

Budget Narrative. The budget must have an accompanying budget narrative and justification that provides in detail the estimated costs for implementation of activities listed in the technical application narrative. The combination of the cost data and narrative must be sufficient to allow a determination of whether the costs estimated are reasonable. A budget narrative template is included in Annex 3. The following is provided as guidance involving specific types of costs:

- **Salary and Wages:** Direct salaries and wages should be proposed in accordance with the Applicant's personnel policies.
- **Fringe Benefits:** If the Applicant has a fringe benefit rate that has been approved by an agency of the U.S. Government, such rate should be used, and evidence of its approval should be provided. If a fringe benefit rate has not been approved, the application may propose a rate and explain how the rate was determined. If the latter is used, the narrative should include a detailed breakdown comprised of all items of fringe benefits (e.g., unemployment insurance, workers' compensation, health and life insurance, retirement, etc.) and the costs of each, expressed in dollars and as a percentage of salaries. Alternatively, if the Applicant has no approved rate, it may elect to directly charge all project expenses.
- **Travel and Transportation:** The application should indicate the number of trips, domestic and international, and the estimated costs per trip. Specify the origin and destination for each proposed trip, duration of travel, and number of individuals traveling.
- **Equipment and Materials:** Specify all equipment to be purchased, including the type of equipment, the manufacturer, the unit cost, the number of units to be purchased and the expected geographic source.
- **Communications:** Specific information regarding the type of communication cost (e.g., mail, telephone, cellular phones, internet, etc.) must be included in order to allow an assessment of the realism and reasonableness of these costs.
- **Subcontracts/Consultants:** Information sufficient to determine the reasonableness of the cost of each specific subcontract and consultant expected to be hired must be included. Similar information should be provided for all consultants who are provided under the category for personnel.
- **Direct Facilities Costs:** Specific information regarding the cost of any facilities needed to perform program activities. The information provided should include the unit cost (rent), the time period the facilities are needed and the number of facilities. Only facilities that directly benefit the program activities should be included in this category; all other facility costs should be included in the indirect cost category.
- **Other Direct Costs:** This may include report preparation costs, passports and visas fees, training, medical exams and inoculations, insurance (other than insurance included in the Applicant's fringe benefits), as well as any other miscellaneous costs that directly benefit the program proposed by the Applicant. The narrative should provide a breakdown and support for all other direct costs. If seminars and conferences are included, the Applicant should indicate the subject, venue, and duration of proposed conferences and seminars, and their relationship to the objectives of the program, along with estimates of costs.
- **Indirect Costs:** The Applicant should support the proposed indirect cost rate, if any, with a letter from a cognizant U.S. Government audit agency (i.e., its current Negotiated Indirect Cost Rate Agreement) or with sufficient information for DAI to determine the reasonableness of the rates. For the latter, DAI would need:
 - Copies of the Applicant's financial reports for the previous 3-year period, which have been audited by a certified public accountant or other auditor satisfactory to USAID;
 - Projected budget, cash flow and organizational chart; and
 - A copy of the organization's accounting manual.

Applicants should note that DAI policy prohibits the payment of fee/profit to the recipient under assistance subawards. In addition, applications will be expected to include a **Completed Financial Capability Questionnaire**, found in Annex 4, which includes:

- a. **NICRA or (if no NICRA) Audited Financial Reports:** Copy of the applicant's most recent financial report, which has been audited by a certified public accountant or other auditor satisfactory to DAI. If no recent audit, a "Balance Sheet" and "Income Statement" for the most current and previous fiscal year.
- b. **Incorporation Papers or Certificate of Registration and Statute**

RFA Application Checklist:

Before submitting your application, please check to make sure the following are included:

- ☐ Technical Application
- ☐ CVs of named team members
- ☐ Budget
- ☐ Budget narrative
- ☐ Completed Financial Capability Questionnaire
- ☐ NICRA or Audited Financial Reports
- ☐ Application Cover Letter
- ☐ Incorporation Papers or Certificate of Registration and Statute
- ☐ Personnel, procurement, and finance manuals

Section D. Selection Process

The winning applicant will be selected by an Evaluation Committee, which will evaluate applications according to the following evaluation criteria and scoring system. To the extent necessary (if award is not made based on initial applications), negotiations may be conducted with each applicant whose application, after discussion and negotiation, has a reasonable chance of being selected for award.

Award will be made to responsible applicants whose applications offer the best value. Evaluation points will not be awarded for cost. Cost will primarily be evaluated for realism and reasonableness. DAI may award to a higher priced applicant if a determination is made by the Evaluation Committee proposed technical expertise or approach merits the additional cost. Alternatively, DAI may award to a lower scoring, but more competitively priced applicant should the Evaluation Committee deem cost the most efficient means to deliver value for money for this RFA.

An award will be made based on the ranking of applications by the review panel according to the evaluation criteria and scoring system identified below:

	EVALUATION CRITERIA		MAXIMUM POINTS
1	Technical Approach	<ul style="list-style-type: none">• Applicant's technical approach demonstrates understanding of nuances of, and ability to implement, the Program Description in an independent manner while being responsive to donor requests;• Applicant's technical approach demonstrates its ability to make measurable impact on financial health/over-indebtedness within the period of performance;• Workplan demonstrates ability to approach and achieve the activities within the specified timeframe.• Technical approach defines a credible sustainability plan to continue the activity following this subaward.	10 points
2	Personnel Plan	<ul style="list-style-type: none">• Personnel plan reflects nimble, efficient, and adaptive approaches to Program Description implementation requirements;• Proposed personnel adequately addresses the technical elements and expertise needed to implement the proposed approach;• 	4 points
3	Past Performance	<ul style="list-style-type: none">• Applicant demonstrates at least three (3) relevant past project examples, highlighting any relevant Kenya experience;• Applicant has a track record of successful financial health interventions.	6 points
Total			20 points

Conflict of Interest

Throughout the selection process, Digital Frontiers will take steps to ensure that members of the review panel do not have any conflicts of interest, or the appearance of such, with regard to the organizations whose applications are under review. An individual shall be considered to have the appearance of a conflict of interest if that person, or that person's spouse, partner, child, close friend, or relative works for, or is negotiating to work for, or has a financial interest in (including being an unpaid member of a Board of Directors), any organization that submitted an application currently under the panel's review. Members of the panel shall neither solicit nor accept gratuities, favors, or anything of monetary value from parties to the award. USAID staff, including USAID institutional support contractors and personal service contractors, and their families, are not eligible to compete for this award.

Signing of Subagreements

Upon USAID concurrence of the Applicant, a subagreement will be prepared. After Digital Frontiers and the successful Applicant have signed the Subagreement, Digital Frontiers may provide training on financial management and reporting on subagreement funds. All reporting and contractual obligations will be explained to the recipient.

Section D. Special RFA Requirements

The applicant shall bear in mind the following special requirements **for any subagreements awarded** in response to this RFA:

Award Type: DAI anticipates awarding either a Fixed Amount Award or Standard Grant as a result of this RFA.

- The Fixed Amount Award (FAA) format allows the award of a grant for very specific program elements, without requiring project monitoring of the actual costs subsequently incurred. It is intended to support specific activities, where costs are certain and where the accomplishment of grant "milestones" is readily discernible. Payments are fixed amounts and are made based on the grantee's successful submission or completion of the tasks delineated for that milestone.
- Standard grants, in contrast, are reimbursed of actual expenses rather than fixed price deliverables. A higher degree of oversight is involved, though advances are permitted under these grants, which are better suited for more complex program descriptions where activities cannot be broken into concrete deliverables and/or the cost of activities cannot be clearly defined and predicted.

US Government Registrations

There are mandatory requirements for grantees to obtain the following items/registration before a grant can be awarded. Without registering in the required databases, DAI cannot deem an Applicant to be "responsible" to conduct business with and therefore, DAI will not enter into an agreement with any such organization. The award of a grant resulting from this RFA is contingent upon the winner providing a Unique Entity ID (UEI) number, a Commercial and Government Entity/NATO Commercial and Government Entity) CAGE/NCAGE code, and proof of registration in the System for Award Management (SAM) system.

Applicants must obtain the following before award:

- i. UEI Number
- ii. Registration with SAM.gov
- iii. CAGE/NCAGE

Instructions for obtaining a UEI number, SAM registration, or a CAGE/NCAGE are provided in Annex 5.

Prohibited Countries: Prohibited countries are countries that the US Government does not do business with, previously referred to as foreign policy restricted countries. The Applicant may not procure goods or services from the Office of Foreign Assets Control (OFAC) comprehensive sanctioned countries: Cuba, Iran, North Korea, Sudan, and Syria. By submitting an application in response to this RFA, the Applicant certifies that proposed equipment will not be procured from vendors located in one the OFAC prohibited countries above, nor will the origin of any of the parts be from a prohibited country.

Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment – Applicants warrant that all services and products included in their application are compliant with the restrictions contained in 2 CFR 200.216. Grant funds cannot be used to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

Full text of this restriction may be accessed here: https://www.ecfr.gov/cgi-bin/text-idx?SID=e3052be29eb6a936bcf083bf38cacd7d&mc=true&node=se2.1.200_1216&rgn=div8

Separate Account: A separate account must be established to house all funds provided under the grant, as well as all interest income.

Permitted Uses of Program Income: The Grantee will inform DAI of any program income generated under the grant and agrees to follow USAID's disposition requirements for such program income, which is in accordance with 2 CFR 200 Subpart D. Program income earned under this agreement shall be applied and used in the following descending order:

1. Added to funds committed by USAID and the recipient to the project or program, and used to further eligible project or program objectives;
2. Used to finance the non-Federal share of the project or program; and
3. Deducted from the total project or program allowable cost in determining the net allowable costs on which the federal share of costs is based.

If the terms and conditions of the award do not specify how program income is to be used, then number 2) shall apply automatically. Grantees who are commercial organizations may not apply Option 1) to their program income.

Use of Funds: Funds provided under any grant awarded shall be used exclusively for grant purposes. Diversion of grant funds to other uses will result in cancellation of award and retrieval of funds disbursed to the grant recipient.

Reporting Procedures: A description of reporting requirements will be included in the Subagreements.

Project Monitoring: DAI staff will monitor projects in terms of programmatic (and financial aspects, should a simplified or standard grant be awarded). Grant recipients will be expected to facilitate monitoring by making relevant information available to DAI staff.

Restrictions: The Grant Funds provided under the terms of this Agreement shall not be used to finance any of the following:

1. Goods or services which are to be used primarily to meet military requirements or to support police or other law enforcement activities,
2. Surveillance equipment,
3. Equipment, research and/or services related to involuntary sterilization or the performance of abortion as a method of family planning,
4. Gambling equipment, supplies for gambling facilities or any hotels, casinos or accommodations in which gambling facilities are or are planned to be located,
5. Activities which significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas, or
6. Establishment or development of any export processing zone or designated area where the labor, environmental, tax, tariff, and/or safety laws of the country in which such activity takes place would not apply.
7. Pharmaceuticals,
8. Pesticides,
9. Logging equipment,
10. Luxury goods (including alcoholic beverages and jewelry),
11. Establishing or expanding any enterprise that will export raw materials that are likely to be in surplus in world markets at the time such production becomes effective and that are likely to cause substantial injury to U.S. producers,
12. Activities which would result in the loss of forest lands due to livestock rearing, road construction or maintenance, colonization of forest lands or construction of dams or other water control structures,
13. Activities which are likely to have a significant adverse effect on the environment, including any of the following (to the extent such activities are likely to have a significant adverse impact on the environment):
 - i.) Activities which may lead to degrading the quality or renewability of natural resources;
 - ii.) Activities which may lead to degrading the presence or health of threatened ecosystems or biodiversity;
 - iii.) Activities which may lead to degrading long-term viability of agricultural or forestry production (including through use of pesticides);
 - iv.) Activities which may lead to degrading community and social systems, including potable water supply, land administration, community health and well-being or social harmony.
14. Activities which are likely to involve the loss of jobs in the United States due to the relocation or expansion outside of the United States of an enterprise located in the United States, or
15. Activities which the Grantee is aware are reasonably likely to contribute to the violation of internationally or locally recognized rights of workers,
16. Activities to support the production of agricultural commodities for export from Malawi when such commodities would directly compete with exports of similar United States agricultural commodities to third countries and have a significant impact on United States exporters.

Pursuant to 2 CFR 700.13, it is USAID policy not to award profit under assistance instruments such as grant awards. However, all reasonable, allocable, and allowable expenses, both direct and indirect, which are related to the grant program and are in accordance with applicable cost standards (2 CFR 200 Subpart D, OMB Circular A-122 for non-profit organization, OMB Circular A-21 for universities, and the Federal Acquisition Regulation (FAR) Part 31 for-profit organizations), may be paid under the grant. For non-US organizations, the Standard Provisions for Non-US Nongovernmental Recipients will apply. For US organizations, 2 CFR 200 Subpart D, OMB Circulars (<http://www.whitehouse.gov/omb/circulars/a122/a122.html>), and the Standard Provisions for U.S. Nongovernmental Recipients will apply. Please see Annex 1 for Standard Provisions.

<i>DAI and USAID reserve the right to fund any or none of the applications received</i>

Section E. Project Description

Kenya Financial Health and Protection Activity

BACKGROUND

Digital Frontiers is a \$90 million buy-in mechanism available to USAID Bureaus and Missions from 2017-2024. DAI implements the Digital Frontiers project, which works closely with USAID's Innovation, Technology, and Research (ITR) Hub, USAID Missions, the private sector, and international and local development organizations to identify successful and sustainable digital development approaches and scale their impact globally.

In 2019, statistics from Kenya showed that over the past three years, usage of formal financial services had gone up by eight percentage points, rising from 75 to 83 percent of adults. But during that same time period, financial health had gone down, with the percentage of financially healthy adults declining from 39 to 22 percent. Financial health as defined by the Financial Health Network is "whether people are spending, saving, borrowing and planning in ways that will enable them to be resilient to shocks and pursue opportunities."

Around this time, industry organizations also identified significant consumer protection issues in digital credit, such as lack of transparency and high delinquency and default rates. It turned out that usage of certain formal financial services was actually harmful to some people's financial health, highlighting the important link between financial consumer protection and financial wellbeing.

One study found that in Kenya, digital borrowers are nearly twice as likely to default on loans than non-digital borrowers. Alarming, one in two digital borrowers in Kenya report having to borrow more, sell assets, reduce their expenditure on food, or take a child out of school, in order to repay a loan taken in the prior 12 months.

OBJECTIVE

This activity specifically seeks to identify, implement and/or scale solutions that mitigate the risks leading to, or resulting from over-indebtedness or a decrease in financial health associated with increased access to digital lending and digital financial services more broadly.

This award may only be used to fund non-governmental actors, however civil society advocacy to policymakers/regulators for relevant additional consumer protection and supervision would be eligible. For example, funding could be used towards capacity-building for civil society organizations engaged in market-monitoring (e.g. compiling and reporting to regulatory authorities financial consumer complaints identifying bad or confusing practices by digital lenders in the market or alarming rates of consumer late payments and defaults indicating over-indebtedness).

Similarly, there are a number of solutions that could be adopted, adapted, or deployed by digital credit lenders, collectively, through industry associations or other stakeholder groups such as investors, or consumer rights groups. These solutions might include, for example, developing or improving existing digital lender Codes of Conduct to address sector-wide issues regarding the granting and repayment of digital loans, expanding low-cost or free consumer protection recourse and redress mechanisms, promoting fair and transparent marketing and advertising, enhancing collaboration with stakeholders and regulators, and advocating for stronger protections in fair debt collection practices. Illustrative examples include:

- **Improving mechanisms to resolve complaints** by increasing consumer awareness, knowhow and ease of use by making this function easily identifiable and visible. Or by including at least one channel that features relatively higher-touch, for instance, a customer care number that has a **human element**.
- **Working to address high interest rates, improve repayment periods and transparency of terms and conditions to improve consumer awareness and encourage comparison shopping.** (e.g. pre-transaction disclosure by digital lenders of all costs and fees associated with a loan in standardized terms; how consumers' private data will be used; and available debt restructuring or refinancing options should they need them).
- **Encouraging digital lenders to improve their responsible submission and use of both positive and negative data from credit reference bureaus** – digital lenders should be allowed to view and report outstanding loans, yet with very limited power to blacklist late borrowers.
- Engage and work with **App Stores like Google Play, Apple AppStore, Samsung Galaxy** to require lenders applications to **responsibly collect, process, analyze and store confidential** customer data. Require Digital lenders to reduce data exploitation by **limiting access to customer data** and ensure customer data is not shared with third parties.

- **Work to reduce pervasive financial exploitation by developing and improving solutions' ability to accurately measure a consumer's capacity to repay in a cheap, digital, and rapid manner** versus only assessing their willingness to repay. This can be achieved by improving digital lending algorithms and creatively designing more consumer capacity-measuring metrics. Risk-based pricing can be used by designing products with an interest rate range, where the actual interest rates applied are based on customer risk profile and repayment behavior.
- Collaborate in designing and releasing favorable and amenable lending products for reliable, attested and returning non-defaulting customers categorized as risk-free.
- **Educating consumers to protect against third-party identity theft, fraud, and mobile money scams and use of formal complaint channels to report instances of fraud.**
- **Running financial literacy public awareness campaigns, including information about how credit bureaus work; debt counseling covering restructuring, refinancing and insolvency options; and the consequences of default so consumers will better understand the risks involved in borrowing.**
- **The establishment of free or low cost extrajudicial debt counseling and/or mediation centers for low income debtors.**

Applicants can focus on one or several of these potential solutions, or put forward solutions not mentioned here, but should be clear on their theory of change, provide any existing evidence demonstrating the effectiveness or need of such an intervention, and the relative cost-effectiveness and overall effectiveness of the proposed intervention versus others.

DELIVERABLES

DELIVERABLES
Workplan
Baseline assessment to identify relevant metrics and targets, and develop a MEL plan
Midline, stocktaking exercise and associated brief write-up to ensure any necessary course corrections, improvements to be made based on progress to date
Final report - Including a comprehensive overview of activities, results, and lessons learned, as well as a comparison of KPIs/metrics related to financial health/over-indebtedness of targeted consumer population versus baseline targets

TIMEFRAME

Expected maximum period of performance: From the application award date until June 2024.

REPORTING

The grantee will report to Andrea Falso, Digital Frontiers Associate Director, with close collaboration with USAID Activity Manager (Taha Gaya) and a Mission representative (Kirori Mindo).

BUDGET

Range: \$150,000 - 250,000

REQUIRED QUALIFICATIONS

- Experience successfully implementing similar or related activities
- Experience with the digital lending sector

RECOMMENDED QUALIFICATIONS

- Experience implementing similar or related activities in Kenya
- USAID experience

Annex 1: Mandatory Standard Provisions

Mandatory Standard Provisions for Non-US Nongovernmental Recipients:
(<http://www.usaid.gov/missions/sa/usaidsa/mandatorystandard.pdf>)

Annex 2: Certifications, Assurances, Other Statements of the Recipient

In accordance with ADS 303.3.8, DAI will require successful grant applicants to submit a signed copy of the following certifications and assurances, as applicable:

1. **Assurance of Compliance with Laws and Regulations Governing Non-Discrimination in Federally Assisted Programs** *(Note: This certification applies to Non-U.S. organizations if any part of the program will be undertaken in the United States.)*
2. **Certification Regarding Lobbying** *(This certification applies to grants greater than \$100,000.)*
3. **Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals (ADS 206)**
4. **Certification Regarding Terrorist Financing, Implementing Executive Order 13224**
5. **Certification Regarding Trafficking in Persons, Implementing Title XVII of the National Defense Authorization Act for Fiscal Year 2013** *(Note: This certification applies if grant for services required to be performed outside of the United States is greater than \$500,000. This certification must be submitted annually to the USAID Agreement Officer during the term of the grant.)*

6. Certification of Recipient

In addition, the following certifications will be included **Part II – Key Individual Certification Narcotics Offenses and Drug Trafficking** *(Note: Only as required per ADS 206 for Key Individuals or Covered Participants in covered countries.)*

Part III – Participant Certification Narcotics Offenses and Drug Trafficking *(Note: Only as required per ADS 206 for Key Individuals or Covered Participants in covered countries.)*

Part IV – Representation by Organization Regarding a Delinquent Tax Liability or a Felony Criminal Conviction

Part V – Other Statements of Recipient

Part VI – Standard Provisions for Solicitations

(Note: Parts V & VI – Are included in the grant file as part of the grant application.)

Annex 3: Sample Budget and Budget Narrative

Budget Line	Name	Rate	Units (month/day/hour)	Cost
I. Salaries and Wages				
Person 1	TBD	\$0.00	0	\$0
Person 2	TBD	\$0.00	0	\$0
Total Salaries and Wages			0	\$0
II. Travel, Transportation and Per Diem				
1. Air Travel				
International Travel		\$0.00	0	\$0
Regional / In-Country Travel		\$0.00	0	\$0
2. Per Diem				
Traveler 1		\$0.00	0	\$0
3. Other Travel Expenses				
Traveler 1		\$0.00	0	\$0
Total Travel, Transportation and Per Diem				\$0
III. Other Direct Costs				
Other (DESCRIBE)		\$0.00	0	\$0
Total Other Direct Costs				\$0
Total Program Expenses				\$0
Indirect Costs on All Costs			0	\$0
Grand Total				\$0

Budget Narrative Template

Salaries and Wages

For our labor cost estimates, we have used daily rates per person as supported by actual salaries and/or prevailing labor rates. If labor is based on commercial rates, please provide a link or evidence of publication of the commercial rates.

Personnel

- Name, Title proposed for a total of XX days at a daily rate of \$XXX.
- Name, Title proposed for a total of XX days at a daily rate of \$XXX.

Travel, Transportation and Per Diem

Economy air fare trips have been budgeted from XXXX to XXXX.

Regional / In-Country Travel

X number of trips have been budgeted for X locations.

Per Diem

Per Diem at \$XXX has been assumed for all travelers to XXX based on XX days per trip.

Miscellaneous Travel Expenses

Miscellaneous Travel expenses of \$XXX per trip have been budgeted based on the number of international trips. This cost per trip is based on XX assumptions.

Other Direct Costs

This category includes basic support costs for the project. Included within this cost category are all costs necessary for the successful operation of this activity.

Indirect Costs on All Costs

All indirect costs must be in accordance with the organization's policies.

Annex 4: Financial Capability Questionnaire

Accounting System and Financial Capability Questionnaire For DAI Assistance Recipients

The main purpose of this questionnaire is to understand the systems adopted by your institution for financial oversight and accounting of grant funds, especially those provided through the U.S. Federal Government. The questionnaire will assist DAI program and accounting staff to identify the extent to which your institution's financial systems match the requirements of the U.S. Federal Government. This information will help the program staff work with you and your institution to review any problem areas that may be identified; thereby avoiding any problems or oversights which would be reportable should an audit of the program or institution be required.

The questionnaire should be completed by the financial officer of your institution in collaboration with DAI program staff. This questionnaire is informational only, and will not have any bearing on the agreement to support your institution based on the technical merit of the application. Therefore, please answer all questions to the best of your knowledge.

While 2 CFR 200 does not cover awards to non-U.S. recipients, DAI shall rely on the standards established in that regulation in determining whether potential non-U.S. recipients are responsible to manage Federal funds. A determination shall be made on the potential recipient's ability, or potential ability, to comply with the following USAID and federal-wide policies:

- 1) [2 CFR 200 Subpart D](#) (Financial and Program Management);
- 2) [2 CFR 200 Subpart D](#) (Property Standards);
- 3) [2 CFR 200 Subpart D](#) (Procurement Standards); and
- 4) [2 CFR 200 Subpart D](#) (Performance and Financial Monitoring and Reporting).

SECTION A: General Information

Please complete this section which provides general information on your institution.

Name of Institution: _____

Name and Title of Financial Contact Person: _____

Name of Person Filling out Questionnaire: _____

Mailing Address: _____

Street Address (if different) _____

Telephone, Fax, Email (if applicable) _____

Enter the beginning and ending dates of your institution's fiscal year:

From: (Month, Day) _____ To: (Month, Day) _____

SECTION B: Internal Controls

Internal controls are procedures which ensure that: 1) financial transactions are approved by an authorized individual and are consistent with U.S. laws, regulations and your institution's policies; 2) assets are maintained safely and controlled; and 3) accounting records are complete, accurate and maintained on a consistent basis. Please complete the following questions concerning your institution's internal controls.

1. Does your institution maintain a record of how much time employees spend on different projects or activities?

Yes: ☐

No: ☐

2. If yes, how?

3. Are timesheets kept for each paid employee?

Yes: ☐

No: ☐

4. Do you maintain an employment letter or contract which includes the employee's salary?

Yes: ☐

No: ☐

4. Do you maintain inventory records for your institution's equipment?

Yes: ☐

No: ☐ (if no, explain)

5. How often do you check actual inventory against inventory records?

6. Are all financial transactions approved by an appropriate official?

Yes: ☐

No: ☐

7. The person responsible for approving financial transactions is: _____ Title: _____

8. Is the person(s) responsible for approving transactions familiar with U.S. Federal Cost principles as described in OMB Circular A-122?

Yes: ☐

No: ☐

9. Does your institution use a payment voucher system or some other procedure for the documentation of approval by an appropriate official?

Yes: ☐

No: ☐

10. Does your institution require supporting documentation (such as original receipts) prior to payment for expenditures?

Yes: ☐

No: ☐

11. Does your institution require that such documentation be maintained over a period of time?

Yes: ☐

No: ☐

If yes, how long are such records kept? _____

12. Are different individuals within your institution responsible for approving, disbursing, and accounting of transactions?

Yes: ☐

No: ☐

13. Are the functions of checking the accuracy of your accounts and the daily recording of accounting data performed by different individuals?

Yes: ☐

No: ☐

14. Who would be responsible for financial reports? _____

SECTION C: Fund Control and Accounting Systems

Fund Control essentially means that access to bank accounts and/or other cash assets is limited to authorized individuals. Bank balances should be reconciled periodically to the accounting records. If cash cannot be maintained in a bank, it is very important to have strict controls over its maintenance and disbursement.

An Accounting System accurately records all financial transactions, and ensures that these transactions are supported by documentation. Some institutions may have computerized accounting systems while others use a manual system to record each transaction in a ledger. In all cases, the expenditure of funds provided by the USAID-funded program must be properly authorized, used for the intended purpose, and recorded in an organized and consistent manner.

1. Does your institution maintain separate accounting of funds for different projects by:

Separate bank accounts: ☐

A fund accounting system: ☐

2. Will any cash from the grant funds be maintained outside a bank (in petty cash funds, etc.)?

Yes: ☐

No: ☐

If yes, please explain the amount of funds to be maintained, the purpose and person responsible for safeguarding these funds.

4. If your institution doesn't have a bank account, how do you ensure that cash is maintained safely?

5. Does your institution have written accounting policies and procedures?

Yes: ☐

No: ☐

6. How do you allocate costs that are "shared" by different funding sources, such as rent, utilities, etc.?

7. Are your financial reports prepared on a:

Cash basis: ☐ Accrual basis: ☐

8. Is your institution's accounting system capable of recording transactions, including date, amount, and description?

Yes: ☐

No: ☐

9. Is your institution's accounting system capable of separating the receipts and payments of the grant from the receipts and payments of your institution's other activities?

Yes: ☐

No: ☐

10. Is your institution's accounting system capable of accumulating individual grant transactions according to budget categories in the approved budget?

Yes: ☐

No: ☐

10. Is your institution's accounting system designed to detect errors in a timely manner?

Yes: ☐

No: ☐

11. How will your institution make sure that budget categories and/or overall budget limits for the grant will not be exceeded?

12. Are reconciliations between bank statements and accounting records performed monthly and reviewed by an appropriate individual?

Yes: ☐

No: ☐

13. Briefly describe your institution's system for filing and keeping supporting documentation.

SECTION D: Audit

The grant provisions require recipients to adhere to USAID regulations, including requirements to maintain records for a minimum of three years to make accounting records available for review by appropriate representatives of USAID or DAI, and, in some cases, may require an audit to be performed of your accounting records. Please provide the following information on prior audits of your institution.

1. Is someone in your institution familiar with U.S. government regulations concerning costs which can be charged to U.S. grants (OMB Circular A-122 "Cost Principles for Nonprofit Institutions" and OMB Circular A-110 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Institutions")?

Yes: ☐

No: ☐

2. Do you anticipate that your institution will have other sources of U.S. government funds during the period of this grant agreement?

Yes: ☐

No: ☐

3. Have external accountants ever performed an audit of your institution's financial statements?

Yes: ☐

No: ☐

If yes, please provide a copy of your most recent report.

4. Does your institution have regular audits?

Yes: ☐

No: ☐

If yes, who performs the audit and how frequently is it performed?

5. If you do not have a current audit of your financial statements, please provide this office with a copy of the following financial statements, if available:

- a. A "Balance Sheet" for the most current and previous year; and
- b. An "Income Statement" for the most current and previous year.

6. Are there any circumstances that would prevent your institution from obtaining an audit?

Yes: ☐

No: ☐

If yes, please provide details:

CHECKLIST AND SIGNATURE PAGE

DAI requests that your institution submit a number of documents along with this completed questionnaire. Complete this page to ensure that all requested information has been included.

Complete the checklist:

- ☐ Copy of your organization's most recent audit is attached.
- ☐ If no recent audit, a "Balance Sheet" "Income Statement" for the most current and previous fiscal year.
- ☐ All questions have been fully answered.
- ☐ An authorized individual has signed and dated this page.

Optional:

- ☐ Incorporation Papers or Certificate of Registration and Statute is attached.
- ☐ Information describing your institution is attached.
- ☐ Organizational chart, if available is attached (if applicable).

The Financial Capability Questionnaire must be signed and dated by an authorized person who has either completed or reviewed the form.

Approved by:

Print Name

Signature

Title

Date _____

Annex 5: Instructions for Obtaining CAGE/NCAGE Code, SAM Registration, and UEI

CAGE/NCAGE Code

The Commercial and Government Entity (CAGE) Code was established by the US. The NATO Codification System developed the NATO Commercial and Government Entity (NCAGE) Code. When a business/organization is assigned a CAGE/NCAGE, they are in fact the same type/structure of code but identifies which nation or if the NATO Support Agency assigned the CAGE/NCAGE. You must have a CAGE/NCAGE code before registering in SAM:

- o Link to the CAGE/NCAGE Code request:
<https://eportal.nspa.nato.int/AC135Public/scage/CageList.aspx>
- o Link to CAGE/NCAGE code request instructions:
<https://eportal.nspa.nato.int/AC135Public/Docs/US%20Instructions%20for%20NSPA%20NCAGE.pdf>

System for Award Management (SAM) Registration

You must have an active registration with www.SAM.gov to do business with the Federal Government. To register in SAM, at a minimum, you will need the following information:

- o U.S. Registrants:
 - 1) Your Taxpayer Identification Number (TIN) and Taxpayer Name associated with your TIN; Review your tax documents from the IRS (such as a 1099 or W-2 form) to find your Taxpayer Name
 - 2) Your bank's routing number, your bank account number, and your bank account type, i.e., checking or savings, to set up Electronic Funds Transfer (EFT)
- o International Registrants:
 - 1) Your NATO Commercial and Government Entity (NCAGE) Code
 - 2) Your Legal Business Name and Physical Address from your D&B record.
- o Follow this link to create a SAM.gov user account and register your organization:
<https://sam.gov/content/entity-registration>

Unique Entity ID (UEI)

Effective April 4, 2022, the federal government transitioned away from the DUNS Number to the Unique Entity ID (SAM), or 'UEI', for entity identification of federal awards government-wide. Entity identification in federal awards (grants, loans, contracts, etc.) means a unique set of numbers and letters used to identify every entity seeking to do business with the federal government. Each awardee will be required to obtain a Unique Entity ID (UEID) via sam.gov. Below are some helpful tips on how an organization can obtain the UEID.

1. Obtaining a UEID and registering as an entity are two different processes. Obtaining a UEID is quicker and requires a less intensive validation process. A NCAGE code is not needed for entity validation and to get a UEID, but it is needed for full registration in SAM.
2. For new entities: Prior to starting entity validation process, an entity should be prepared with documents that:
 - i. shows the entity's legal business name and physical address in the same document and is less than 5 years old;
 - ii. shows the legal business name and start year in the same document, and;
 - iii. shows legal business name and US state of Incorporation (for US entities) or National Identifier (for non-US entities).

If any documents are in a language other than English, they must be accompanied by certified translations (see the link below for more details). This GSA guide has detail on documentation requirements. It includes a downloadable document outlining what type of documentation is acceptable, general guidelines, and guidance on translations. Additionally there is a general FAQ also maintained by GSA.

3. If, after entering the required information, an entity receives a validation error message and/or is not a match with any of the returned potential matches, the entity should create an incident. There are two new, useful videos that GSA has recently published to help explain this process. These are different than the brief overview video that has been previously shared, so projects and partners are encouraged to watch:
 - a. This video provides a detailed, step-by-step walk through of the entity validation process. Be advised the scenario it addresses is for an existing entity that has to update some information (rather than a new entity, which is the case for most of our partners), but the steps are the same: <https://www.youtube.com/watch?v=ZKc9UfxtOIA> (the "create incident portion" runs from 27:58 to 35:05).
 - b. This video provides guidance on how to manage the validation ticket once it has been submitted: <https://www.youtube.com/watch?v=a3nPZvnpPE0> (the "managing your validation ticket" portion runs from 17:34 to 28:55).
4. Entities need to regularly check their email – including spam folders – after they have submitted the incident report for emails from fsdsupport@gsa.gov. They should be able to look up the status either by logging into their user account on SAM.gov (go to the "Workspace" view and click the "View" button under the Incident Report Number) or in fsd.gov

(directions on how to do this can be found [here](#)). Entities can communicate with an EVS (Entity Validation System) agent in FSD.gov or by responding to the email. If the entity is unable to generate an incident report for some reason (this was a problem we saw this past week), the entity can also go to FSD.gov and start a chat with an agent by clicking on the “live chat” button in the lower right-hand corner. Agents are available from 8AM to 8PM EST.

5. Once they are contacted by the EVS agent, the entity will have 5 days to respond, or the incident report will be automatically closed and they will have to start again. If the entity needs more time, they should respond to the EVS agent and communicate this. If the ticket is closed, when the entity starts a new one they should include the original ticket number in the Comments Section.

6. Requested documents need to be uploaded at sam.gov, not at fsd.gov.

7. Once the FSD agent has confirmed the entity has been validated, the entity is not done! It will need to go back to SAM.gov to enter its information again and select the current, correct entity info. This step must be done in order to generate the UEID.

If your organization already have an active or expired registration: You already have a Unique Entity ID (SAM) and do not need to take action. Learn how to [view your Unique Entity ID \(SAM\)](#). If your renewal is upcoming, use the normal process to [renew your entity](#).

Annex 6: Past Performance Matrix

#	Project Title	Project Client / Donor	Brief Project Description	Contact Name, Phone and Email	Cost in USD\$	Start - End Dates
1						
2						
3						
4						
5						

Annex 7: Cover Letter

[On Firm's Letterhead]

<Insert date>

TO: DAI Global, LLC

We, the undersigned, provide the attached application in accordance with **RFA 2023-03** issued on **June 20, 2023**. Our attached application is for the total budget of <Sum in Words (\$0.00 Sum in Figures) >.

I certify a validity period of 90 days for the prices provided in the attached Cost Application. Our application shall be binding upon us subject to the modifications resulting from any discussions.

We understand that DAI is not bound to accept any application it receives.

Yours sincerely,

Authorized Signature:

Name and Title of Signatory:

Name of Firm:

Address:

Telephone:

Email: