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**Program Title:** Private Sector Collaboration Pathway (PSCP)

**Catalog of Federal Domestic Assistance:** 98.001, Foreign Assistance for Programs Overseas

Pursuant to the Foreign Assistance Act of 1961 as amended, the United States Government as represented by the U.S Agency for International Development (USAID), Bureau for Development, Democracy and Innovation, Private Sector Engagement Hub, invites concepts for the Private Sector Collaboration Pathway (PSCP) Annual Program Statement (APS). The PSCP APS provides a modernized process for USAID to provide funding in support of activities and collaborations co-created with the private sector.

While priority will be given to collaborations that are characterized by or somehow support the advancement of [market-based approaches](#) and enterprise-driven development, this PSCP APS can be used to consider, develop, and support any type of collaboration with the private sector that advances the broad objectives of USAID's [Private Sector Engagement Policy](#) or otherwise enables the private sector to advance economic and social development in a manner deemed valuable by USAID Missions, Bureaus, and Independent Offices (M/B/IOs).

Consistent with USAID's Private Sector Engagement Policy, the focus of this APS is proactive engagement of and collaboration with the private sector in the identification and definition of key business and development problems and opportunities; the development and co-creation of market-based and market-oriented approaches to solve those problems and seize those opportunities; and the facilitation and implementation of such approaches.

The PSCP APS is not a Request for Applications (RFA) or a Request for Proposals (RFP). Instead, the PSCP APS requests concept submissions. Based on those concept submissions, which must demonstrate extensive engagement of and co-creation with the private sector, USAID will determine whether to continue with the co-creation process set forth under this PSCP APS.

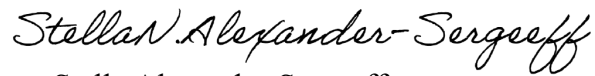
In addition, the PSCP APS is not supported by specific funds. Any funding proposed under this APS would have to be requested from the specific USAID Mission, Bureau, or Independent Office with which the prospective partners seek to collaborate and to which the

concept will be submitted. USAID reserves the right to fund any or none of the concepts submitted under this APS.

It is the responsibility of the Applicant to ensure that the entire APS has been downloaded from [www.grants.gov](http://www.grants.gov) and USAID bears no responsibility for data errors resulting from transmission or conversion process. If you have difficulty registering on [www.grants.gov](http://www.grants.gov) or accessing the APS, please contact the grants.gov Helpdesk at 1-800-518-4726 or via email at [support@grants.gov](mailto:support@grants.gov) for technical assistance.

Thank you for your interest in USAID programs.

Sincerely,



Stella Alexander-Sergeeff  
Supervisory Agreement Officer  
M/OAA/DDI 1

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## **I. PURPOSE**

This Private Sector Collaboration Pathway (PSCP) Annual Program Statement (APS) provides a modernized process through which the United States Agency for International Development (USAID) can award funding in support of activities and collaborations co-created with the private sector (as defined in [Section III](#) below).

Awards under this APS will address key private sector challenges or opportunities in a manner that advance both the private sector's core business interests and USAID's development objectives. The number of awards, if any, issued under this APS is subject to the availability of funds, and the interests and requirements of USAID Missions, Bureaus, and Independent Offices (M/B/IOs).

While priority will be given to collaborations that are characterized by or somehow support the advancement of [market-based approaches](#) and enterprise-driven development, this PSCP APS can be used to consider, develop, and support any type of collaboration with the private sector that advances the broad objectives of USAID's [Private Sector Engagement Policy](#) or otherwise enables the private sector to advance economic and social development in a manner deemed valuable by USAID M/B/IOs.

USAID is committed to engaging with the private sector to determine the best ways to work together. USAID M/B/IOs must proactively engage and communicate with the private sector to explore, identify, and co-create ways to collaborate that achieve respective goals and objectives. This APS is designed to accommodate a range of collaborations and provide financial support to the collaborations that are co-created.

## **II. PRIVATE ENTERPRISE AND USAID: THE VALUE OF WORKING TOGETHER**

USAID recognizes that private enterprise and markets are important drivers of social and economic development outcomes. [USAID's Private Sector Engagement Policy](#) stresses that USAID will not achieve its objectives unless it cooperates with the private sector to develop and advance [market-based approaches](#) to drive inclusive, sustainable economic growth, and foster widespread social development.

The business community recognizes that sustainable business growth and success depends on widespread, inclusive, and environmentally sound economic and social development. Business interests are intertwined with the broader economic and social factors that are also critical to development. This interdependent relationship provides USAID and the private sector a tremendous opportunity to work together to address critical market challenges and development opportunities in a manner that advances both business interests and USAID's development objectives.

USAID and the private sector have a long history of generating mutually beneficial collaborations:

- USAID-supported technical assistance to local distributors in the mobile telecom sector has helped private sector partners grow new markets and reach previously underserved customer groups, expanding access to the internet and critical digital services while driving financial inclusion and promoting income generation opportunities.
- USAID-supported technical assistance to small-scale farmers and cooperatives that has increased the reliability and quality of key agricultural commodity value chains, supporting food security and household financial stability.
- USAID's expertise and programs in risk mitigation have helped financial institutions sustainably scale investments and improve returns in undercapitalized sectors (e.g. energy, health, education).
- USAID's collaboration with private finance providers and intermediaries has fostered increased investment in clean energy technologies, and enhanced business opportunities and job creation in the sector, while also enabling the private sector to contribute to global energy access and the reduction of greenhouse gas emissions. This reduces dependence on fossil fuels, reduces pollution and provides critical access to modern, reliable, and affordable energy services. It also helps businesses address climate change, ESG objectives, and shareholder priorities.
- USAID-supported policy reforms may help reduce risk, limit regulatory uncertainty, and promote a broader enabling environment supportive of business investment and success, while improving country competitiveness and enterprise-driven development.
- USAID's convening power, credibility, extensive networks, and working relationships with national and local governments, local and global NGOs, civil society groups, and foundations may help companies expand their license to operate, enhance community relations, and strengthen stakeholder relationships, supporting inclusive development and cooperation across organizations.

These examples (as well as these [additional examples](#)), illustrate the [value propositions](#) USAID and the private sector offer one another.

### **III. GETTING STARTED: EXPLORING POSSIBILITIES UNDER THIS PSCP APS**

Any collaboration will include both a private sector partner, bringing private sector resources and/or expertise; and USAID, bringing government resources and/or expertise. A collaboration could include other partners or implicated partners as needed or the project demands; however, for the purposes of this APS, the only required parties are USAID and a private sector partner.

#### **A. Private Sector Partner Requirement**

Collaborations supported under this PSCP APS must involve cooperation between USAID and the private sector. In addition, an award to an implementer cannot be issued unless the award results from direct communication and co-creation between USAID and at least one of the types of private sector entities listed below.<sup>1</sup>

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<sup>1</sup> Questions regarding private sector partner requirements can be directed to [pscp@usaid.gov](mailto:pscp@usaid.gov).

For purposes of this PSCP APS, this core private sector partner requirement must be met by one or more of the following types of entities:

- Private for-profit, commercial entities such as a business, corporation, small or medium enterprise or private firm;
- Private foundations affiliated with private for-profit, commercial entities;
- Private finance providers, intermediaries, or financial institutions, including banks, private investment firms, mutual funds, private equity funds, pension funds, and insurance companies;
- Private business or industry associations, including but not limited to chambers of commerce and related types of entities, provided the members are entities, not individuals; or
- Cooperatives.

Parastatals and government-owned companies do not qualify as private sector under this APS. Individuals are not eligible as private sector; private sector is limited to entities. With the exception of business and industry associations and cooperatives, non-profit non-governmental organizations are not eligible to satisfy the private sector partnering requirement under this APS.

Consistent with USAID's commitment to [localization](#), collaborations should, if appropriate, seek to engage and incorporate local private sector entities and other local partners in the design and implementation of the collaboration. Strengthening the human and institutional capacity of local partner and beneficiary organizations is a key priority.

In addition, any potential partner under this APS must have a reputation for integrity and the highest standard of conduct<sup>2</sup>. It should demonstrate commitment to a respect for human rights; gender integration and gender equality at all levels of decision-making; sensitivity; the inclusion of diversity, LGBTQI, vulnerable groups and people with disabilities; active engagement of marginalized groups affecting by intersectionalities and indigenous communities; decent work conditions and livable wages; proactive environmental policies and safeguards that include consideration of environmental impacts from proposed activities, a process for identifying and implementing mitigation to address those impacts and a monitoring component; climate change mitigation strategies; and community participation and involvement in their operations. Consistent with Agency policy, the Agreement Officer (AO) must evaluate the risk posed by applicants before making an award by conducting a risk assessment.

## **B. Eligible Applicants and Awardees**

As noted above, the standard and preferred approach under this PSCP APS is to have concepts submitted by a private sector entity as defined above. However, following conversations with the private sector partner and based on the prospective collaboration, USAID technical officers may determine that a concept may be submitted by a different type of entity. With regard to awards

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<sup>2</sup> USAID only enters into collaborations with organizations and individuals who exhibit fiscal responsibility, character, and integrity. In order to make this determination regarding potential partners, USAID undertakes due diligence. The extent of and approach to the due diligence will vary depending on the context and the potential partners.

issued under this APS, the appropriate entity to receive an award will be determined through the co-creation process.

The following list of potential alternative applicants and awardees is not exhaustive and is provided for illustrative purposes only. Potential applicants and awardees include many types of organizations: U.S. and non-U.S. private businesses, business and trade associations, foundations, U.S. and non-U.S. Non-Governmental Organizations (NGOs), faith-based organizations, international organizations, U.S. and non-U.S. colleges and universities, civic groups, regional organizations, etc. All applicants and awardees must be legally recognized organizational entities under applicable law. In addition, for the following groups the criteria below also apply:

- **U.S. and Non-U.S. Non-Profit Organizations:** Qualified U.S. and non-U.S. private non-profit organizations may apply for USAID funding under this APS.
- **U.S. and Non-U.S. For-Profit Organizations:** In accordance with 2 CFR 200.400, potential for-profit applicants should note that USAID policy prohibits the payment of fee/profit to the prime recipient under assistance instruments, and as 2 CFR 200.101 states that, unless specifically excluded, all requirements applying to recipients also apply to sub-recipients if they meet the definition of “recipients”; therefore, fee/profit under assistance type awards is also prohibited for sub-recipients.<sup>3</sup> Forgone profit does not qualify as cost-sharing or leveraging. If a prime recipient has a (sub)-contract with a for-profit organization for the acquisition of goods or services (i.e., if a buyer-seller relationship is created), fee/profit for the (sub)-contractor is authorized. A for-profit local organization may still want to apply for grant funding under this APS even though it is foregoing profit on the activities under the collaboration. As determined by the needs of the collaboration and pertinent development objectives, grant funds may be used to build the capacity of the local organization, whether it is for-profit or non-profit.
- **U.S. and Non-U.S. Colleges and Universities:** Qualified U.S. and non-U.S. colleges and universities may apply for funding under this APS. USG and USAID regulations generally treat colleges and universities as NGOs, rather than governmental organizations. Hence, both public and private colleges and universities are eligible. Non-U.S. colleges and universities in countries that are ineligible for assistance under the Foreign Assistance Act or related appropriations acts are ineligible. The cognizant Agreement Officer’s Representative should be consulted to determine which countries are ineligible based on current circumstances.

### C. Getting Started

If your organization is a type of private sector entity listed above and is interested in exploring opportunities under this APS, please follow the instructions listed in [Section V.A.2](#).

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<sup>3</sup> Federal regulations allow the USG to reinvest any financial returns generated from an activity, known as “program income” with a private sector partner. USAID has approved a class exception to 2 CFR 700.13(a)(2) to allow AOs to use the additive approach for program income in assistance awards made to for-profit entities. Note: If the additive approach is used with regard to awards issued under this PSCP APS, the program income in question is eligible to be considered as leverage.

All other organizations interested in collaborating with USAID and the private sector under this APS should refer to [Section V](#) for more information. While such organizations may also wish to review Sections III and IV of this APS, there is no need to review the other portions of this APS until the private sector partner you identify has an initial set of conversations with USAID.

**NOTE: Do not submit a concept under this PSCP APS unless USAID sends an email to your private sector partner that indicates USAID’s interest to review a concept ([See Section VI](#)).**

#### **D. Communication and Co-creation**

The co-creation process involves extensive communication among USAID, the private sector entities listed in [Section II](#), potential implementing partners, and other prospective partners, such as relevant government ministries, foundations, or civil society organizations. USAID anticipates it will maintain communication with partners throughout the PSCP APS process, from early engagement on potential approaches and solutions, prior to any concept submission, to refinement and continued development of submitted concepts and full applications to the final design and negotiation of agreements or awards (e.g., memorandum of understanding, implementing mechanism, etc.).

Conversations can be held throughout the process, from initial communication with USAID (prior to development of any collaboration ideas or submission of a concept) through any award that might be issued under this PSCP APS.

For the purpose of this document, *conversations* are defined to include all pre-award communication with the private sector, other prospective partners, or other key stakeholders, subject to Sections IV and V of this APS. This communication may include in-person conversations and discussions<sup>4</sup>; email correspondence; phone, VOIP, or video conferencing; text messages or digital chat; or any other formal or informal communication or correspondence. For additional information regarding communication and conversation parameters, USAID personnel and potential partners under this PSCP APS are encouraged to contact [pscp@usaid.gov](mailto:pscp@usaid.gov).

This communication between USAID technical officers and other personnel throughout the process may include non-public information relevant to the co-creation, and technical and substantive issues the partners are seeking to address. Note that in the procurement context, in the same way that communications are regulated, the receipt of non-public information is regulated in the Federal Acquisition Regulations (FAR). This APS and resulting assistance awards are not subject to the FAR.<sup>5</sup> Therefore, receipt of non-public information during the pre-

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<sup>4</sup> Note that while *discussions* carries a specific definition within the context of acquisition, it is used here in the colloquial sense, meaning the consideration of a question or topic through talking or conversing.

<sup>5</sup> Procurement refers to contract/acquisition actions/procurement, not assistance. A competitive advantage may exist if the nonpublic information includes procurement sensitive information, which is information prepared by USAID to evaluate contract proposals, if that information has not been previously made public. This includes cost/price estimates, technical evaluation documents, the composition of the technical evaluation team, the number/identity of offerors, and information otherwise marked as “Source Selection Information.” **If procurement sensitive information is shared that could cause an unfair competitive advantage on an existing or subsequent procurement, the unfair competitive advantage would be removed if USAID made the information public.**



award process under this APS does not affect eligibility under this PSCP APS, and its addenda. Unless USAID identifies specific matters that cannot be communicated, the partners are free to communicate with other entities about the particulars of their conversations with USAID. USAID will not share any classified information.

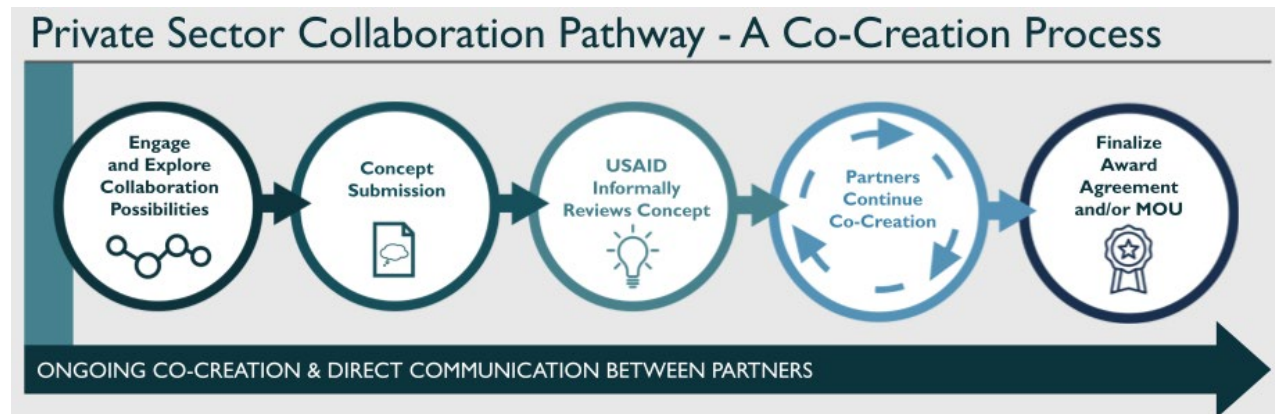
**NOTE: Any communication not specifically prohibited above is allowed.**

If USAID personnel hold co-creation conversations with a partner or set of partners, USAID personnel are under no obligation to share the substance of those conversations with other prospective partners or applicants under this PSCP APS or addenda to this PSCP APS. However, if prospective partners have similar recurring questions, or if any given conversation indicates that the content of this PSCP APS or an addendum to this PSCP APS is unclear in a manner that limits USAID’s ability to achieve its objectives under this PSCP APS or an addendum to this PSCP APS, USAID may elect to issue an amendment, FAQ, and/or other document aimed at addressing such recurring questions/areas of confusion.

None of USAID’s communication during the co-creation process provided by this PSCP APS should be interpreted as a commitment to making an award of USAID funding. A commitment to an award of USAID funding is only made when an award agreement is signed by the warranted Agreement Officer.

#### IV. PROCESS OVERVIEW

Under this PSCP APS, the development of collaborations between USAID and the private sector takes place through the 5-step process outlined below.



Questions regarding the process can be sent to the PSCP APS Activity Manager at [pscp@usaid.gov](mailto:pscp@usaid.gov).

#### **Step I – Engage and Explore Collaboration Possibilities (See [Section V](#))**

The process begins with conversations between USAID and the private sector. These conversations explore whether USAID and the private sector might work together. If there are opportunities, USAID will determine whether the PSCP APS is the appropriate process through which to develop or fund those possibilities.

**Step 2 – Concept Submission (See [Section VI](#))**

If an opportunity to collaborate is identified and the PSCP APS is deemed the best way forward, the USAID technical officer will send an email confirming the initial communication and co-creation, conveying USAID’s interest to review a concept under the PSCP APS. The private sector would then submit a concept per [Section VI](#) of this APS.

**NOTE: Concepts cannot be submitted unless USAID sends the email described in this paragraph (Step 2).**

**Step 3 – Concept Review (See [Section VII](#))**

USAID will conduct an informal review of the concept. USAID technical personnel are free to communicate with the private sector and other partners during the review and will make a decision within 20 business days of receiving the concept.

**Step 4 – Continue Co-Creation (See [Section VIII](#))**

If the concept proposes collaboration(s) consistent with the initial conversations between USAID and the private sector, as well as the objectives of this PSCP APS, USAID and the private sector will continue co-creating the collaboration. This is the stage in the process in which USAID and the private sector, as well as other partners as appropriate, jointly determine the details of their collaboration and the specifics regarding their respective roles and responsibilities in the collaboration.

If the conversations are productive, USAID and the partners proceed directly to award development and negotiation. USAID and the partners work together to determine the type of assistance award best suited to the collaboration and jointly develop the program description and other material needed for such an agreement. If complimentary agreements, such as a Memorandum of Understanding, are required or appropriate, they should be developed during this step.

**Step 5 – Finalize and Issue Award (See [Section IX](#))**

Based on Step 4, if the co-creation results in a collaboration worth pursuing and funding, the partners will finalize the development and negotiation of an assistance award appropriate to the collaboration.

**V. PROCESS STEP 1: ENGAGE AND EXPLORE COLLABORATION POSSIBILITIES**

USAID’s [PSE Policy](#) is an invitation to co-creation: **direct, proactive, and extensive communication between USAID and the private sector is the first step in exploring opportunities under this PSCP APS.** Section III above anticipates communication with all prospective partners; however, for purposes of developing private sector collaborations under this PSCP APS, the first stage of communication will take place between USAID and the private sector and would not involve other types of entities in a significant substantive manner until after USAID and the private sector entity (or entities) have an opportunity to meet independently of other prospective partners. USAID and the private sector will use this first round of conversations to develop an initial understanding of their respective interests and objectives;

conduct some initial brainstorming of potential ways to work together; and jointly determine when other partners should be engaged in the communication.<sup>6</sup>

If USAID and the private sector determine that further conversations are needed before USAID can decide whether to proceed under this PSCP APS, USAID and the private sector are free to include other entities in those conversations if USAID and the private sector think that would be appropriate. The inclusion of additional partners in subsequent conversations can be valuable to understanding ways in which USAID and the private sector can collaborate, but inclusion of additional partners in such conversations is at the discretion of USAID and the private sector and are not required to move forward under this PSCP APS.

If the initial communication and co-creation during the explore and engage stage is productive, and USAID determines that the PSCP APS is the appropriate avenue through which to explore and develop the collaboration that emerged from the initial communication and co-creation, USAID will provide an email (USAID staff, please email [pscp@usaid.gov](mailto:pscp@usaid.gov) for templates) confirming the initial co-creation with the private sector and indicating USAID's interest to entertain a concept under this APS.

**NOTE: Concepts can only be submitted under this PSCP APS after there has been robust communication and preliminary co-creation between USAID and the private sector, and USAID provides the email referenced in the previous paragraph.**

#### **A. How to Initiate Communication and Co-Creation**

The initial USAID-private sector communication and co-creation required under this APS can be initiated by USAID, the private sector or some other organization interested in advancing collaboration between USAID and the private sector.

**1. Communication and Co-Creation Initiated by USAID:** Consistent with USAID's [Private Sector Engagement Policy](#), USAID personnel may reach out directly to a private sector entity, or some other entity that has a relationship with that private sector organization, in order to arrange a conversation between USAID and the private sector entity.

**2. Communication and Co-Creation Initiated by the Private Sector:** Private sector entities listed in [Section II](#) are encouraged to contact personnel at USAID to explore potential collaboration. Interested private sector entities should follow the instructions [here](#), to connect with the appropriate country-level or D.C. points of contact. After an initial inquiry is made, USAID will contact the interested party directly to arrange an initial conversation if there appears to be an opportunity to co-create.

**3. Communication and Co-Creation Initiated by Other Organizations:** Various organizations, including but not limited to non-governmental organizations (NGOs), grant-making foundations, civil society organizations (CSOs), faith-based organizations (FBOs),

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<sup>6</sup> NGOs and other entities interested in fostering USAID collaboration with the private sector should link USAID to the private sector entity(ies). In addition, as noted below, USAID encourages the engagement of an NGO or other entity(ies) in conversations that take place after USAID and the private sector have an initial, independent opportunity to explore their respective interests, objectives and potential areas of collaboration.

academia and government agencies, have productive working relationships with private sector entities. If an organization is interested in advancing communication and collaboration between USAID and a particular private sector entity, the organization should follow the instructions [here](#) to connect with country-level or D.C. points of contact. In that initial inquiry, please provide the contact information of the private sector entity with whom you want to work. After an initial inquiry is made and if USAID is interested in learning more about the private sector entity's interests and objectives or the potential collaboration noted in the initial inquiry, USAID will contact the private sector entity directly to arrange an initial conversation with that entity.

## **VI. PROCESS STEP 2: CONCEPT SUBMISSION**

Concepts can only be submitted under this PSCP APS after there has been direct communication and preliminary co-creation between USAID and the private sector, and USAID provides the confirmation email (USAID staff, please email [pscp@usaid.gov](mailto:pscp@usaid.gov) for templates) indicating interest to review a concept as referenced in [Section V](#).

Unless otherwise indicated by the USAID technical officer(s) with whom the private sector is exploring possible collaboration, concepts should be submitted to the USAID technical officer(s) with which the private sector has been communicating, with a copy to [pscp@usaid.gov](mailto:pscp@usaid.gov).

Concepts should be submitted by the private sector entity collaborating with USAID. In some cases, the technical officers at USAID and the representatives from the private sector entity may jointly determine that the concept should be submitted by another organization participating in the collaboration. However, the preferred approach is to have the prospective private sector partner submit the concept.<sup>7</sup>

**When submitting the concept, the private sector entity should submit the concept as a reply to the email from USAID that indicates the USAID Mission, Bureau or Independent Office is interested to review a concept.**

After USAID indicates an interest to review a concept submission, USAID, the private sector and other prospective partners remain free to communicate about and further co-create the potential collaboration. While USAID personnel cannot write or edit drafts of the concept, USAID personnel may continue to communicate with the private sector and other prospective partners with regard to the nature and scope of the potential collaboration.

### **A. Required Information**

Unless otherwise indicated by the USAID technical officers with whom the private sector is developing a collaboration, the concept should include the following information, preferably as sequenced below.

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<sup>7</sup> The organization that submits a concept may or may not be the organization that receives an award under this APS. Based on what emerges from the co-creation process, USAID and the partners will jointly determine which organization is best suited to receive an award, if an award is warranted. See Section X.A

**1. Problem/Issue/Challenge/Opportunity** – Briefly describe the problem(s), issue(s), challenge(s), or opportunity(ies) the private sector entity is seeking to address, including the core business interests and objectives which motivate the private sector entity to address the problem, issue, challenge or opportunity in question.

**2. Proposed Activities and Market-Based Approaches** - Describe the proposed collaboration and the core activities to be conducted under the collaboration. This description should reflect and be consistent with roles the initial co-creation conversation USAID and the private sector had prior to concept submission. As noted in USAID’s [PSE Policy](#) and [Section I](#) of this APS, USAID prioritizes collaborations that foster situations in which markets and private sector firm behavior continue to generate valuable business and development outcomes and results in an ongoing manner over the short, medium and long term – without the need for further USAID funding. Therefore, unless otherwise indicated by the USAID technical officers working on the collaboration, the description of the proposed collaboration and activities should include a conversation of the market-based approaches that will be used in the collaboration, how the proposed collaboration will advance market-based or enterprise-driven development, **and/or** the ways in which the collaboration will advance USAID’s private sector engagement and development objectives.

**3. Partner Roles and Responsibilities** – Applicants should include a list of proposed partners (private, public, NGO, etc.) and the name and contact information (phone and email) for each partner’s key POC. In addition, the concept submission must outline the proposed roles and responsibilities of the partners, including the private sector entity, USAID, and any other partners deemed critical to the success of the collaboration. This is a brief, preliminary characterization of roles and responsibilities that may evolve significantly during the continuation of the co-creation process.

**4. Anticipated Outcomes and Results** – Identify the specific outcomes and results the approach seeks to achieve and what would constitute “success.” Potential market-level and systemic implications of the collaboration should be noted for conversation. The nature, scope and sustainability of the outcomes and results will be critical to assessing the costs and benefits or working together and determining whether the collaboration warrants further pursuit.

**5. Resource Contributions from Private Sector and Other Partners** - Describe the resources the private sector, and other organizations, will likely contribute to the proposed collaboration, how those resources would be applied to the implementation of the collaboration, and the particular outcomes and results expected as a consequence of contributing and applying those resources. This is a preliminary description; actual resource contributions and applications may evolve significantly during the continuation of the co-creation process. Applicants should also include the Roles and Resources table [USAID staff, please email [pscp@usaid.gov](mailto:pscp@usaid.gov) for templates.].

**6. Resources Requested from USAID** - Describe the resources the private sector entity is expecting USAID to contribute to the proposed collaboration, which entities would receive those resources, how those resources would be applied to the implementation of the collaboration, and

the outcomes and results expected as a consequence of those resources being applied as proposed.

The concept conveys initial ideas regarding a proposed collaboration. As the co-creation process continues, the ideas and approaches may evolve as the partners determine the most appropriate way to work together to address the problems, challenges, issues and opportunities in question.

## **B. Format of Concept Submission**

Concepts may be submitted as a text document, a slide deck or presentation, or other format:

1. If submitted as a text document, the concept should be no more than 1500 words, not including the Roles and Resource Table noted in [Section VI.A.5](#). The document should use 12pt Calibri font and one-inch margins.
2. If submitted as a slide deck or presentation, the concept should be no more than ten slides, not counting the cover/title slide or the Roles and Resource Table noted in [Section VI.A.5](#). The slides should use fonts no smaller than 12pt, with a total word count of no more than 1500, and 0.5 inch margins.

For any prospective collaboration, USAID technical officers and the private sector partners may jointly identify an alternative format for concept submission. The alternative format must provide the required information noted in Section VI.A.

**NOTE: Unless otherwise indicated by USAID technical officers, concepts must be submitted in English.**

Concept submissions that do not comply with the requirements set forth in [Section VI](#) of this PSCP APS will not be reviewed.

## **VII. PROCESS STEP 3: CONCEPT REVIEW**

Concept review under this PSCP APS will determine whether USAID will continue working with the private sector to further develop the collaboration from the concept submission. **The concept review does not involve the formation of a formal Technical Evaluation Committee or Selection Committee;** rather, concepts submitted under this PSCP APS will be reviewed by one or more of the USAID technical personnel involved in developing the potential collaboration. Technical officers will keep acquisition and assistance (A&A) and program offices updated on concepts received. The technical office that has the lead on developing the collaboration is free to engage other personnel in the review of the concept or share the concept with other USAID (and US Government) personnel to benefit from comments or questions. Technical officers are also encouraged to explore whether any of their procurement and program office colleagues may wish to participate in the activity design discussions that take place after the concept review.

USAID will not share any concept submission documents submitted under this PSCP APS outside the United States Government (USG) without the written permission of the entity

submitting the document. Partners must clearly mark any trade secret or other confidential business information they submit to USAID.<sup>8</sup>

Prior to making any determinations regarding the concept, the technical officer(s) (and other USAID or USG personnel they elect to involve) are free to communicate directly (via phone, email, video chat or in-person meetings) with the private sector and other partners regarding the concept. This includes but is not limited to asking clarifying questions, seeking additional details, or otherwise communicating to make sure USAID understands the concept well enough to make a determination.

When determining whether USAID will work with the private sector to develop the collaboration in the concept submission, the technical personnel will consider three questions:

1. Does the concept provide the information requested in Section VI above?
2. Is the proposed collaboration consistent with the purpose of this APS as set forth in [Section I](#)?
3. Are the potential outcomes and results of the proposed collaboration likely valuable enough for the technical team to continue with the co-creation process under the PSCP APS?

If the answer to the three questions above is yes, and the proposed collaboration would likely involve an award of USAID funding, the technical officer(s) will consult with their technical office and the pertinent Program Office to clarify funding availability and parameters. If the funding situation allows for USAID to continue with co-creation, a technical officer involved in reviewing the concept will send an email (USAID staff, please email [pscp@usaid.gov](mailto:pscp@usaid.gov) for templates) to the private sector partner(s) named in the concept, indicating that the technical team wishes to continue with the co-creation of the collaboration. As co-creation continues, technical officers should keep the private sector partner apprised of the operating unit's funding situation and any implications that might have for the collaboration being developed by USAID and the partners.

When sending the email that indicates USAID's interest in continuing the co-creation process, the technical officer will copy the appropriate procurement officer within the technical officer's operating unit and the PSCP APS Activity Manager ([pscp@usaid.gov](mailto:pscp@usaid.gov)); the email will serve as full and sufficient documentation of the determination to continue co-creation with the private sector under this PSCP APS. No additional documentation or decision memorandum regarding the determination will be requested by the pertinent procurement and program offices.

While this email indicates USAID's good faith interest in co-creating a collaboration worthy of USAID support, this email is not a commitment to making an award and the technical officer should state that in the email. USAID staff, please email [pscp@usaid.gov](mailto:pscp@usaid.gov) for templates.

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<sup>8</sup>As U.S. Government personnel, USAID employees are prohibited by law from making an authorized disclosure of trade secret or confidential information furnished to USAID by non-governmental entities. Consistent with this obligation, USAID will protect all confidential information provided to it under this PSCP APS to the maximum extent allowed by law.

If the answer to any of the three questions above is no, the technical office may request a revised concept submission **or** decide to no further pursue co-creation of the collaboration under the PSCP APS.

If concept revision is requested, a technical officer involved in reviewing the concept will communicate that request via an email to the private sector partner, with a copy to the PSCP APS Activity Manager and the pertinent procurement office. The email will highlight the matters to be addressed in the revised concept. Consistent with the concept development conversations noted above, the technical personnel may communicate with the partners as the revised concept is developed.

If the technical office decides to not pursue further co-creation of the collaboration, a technical officer involved in reviewing the concept will send a short email to the private sector partner(s) named in the concept, indicating that the technical team does not wish to continue with the co-creation of the collaboration at this time. The email will note the primary reasons for the decision and will serve as full and sufficient documentation of the determination to not continue co-creation with the private sector under this PSCP APS. The technical officer will copy the pertinent procurement officer in their operating unit as well as the PSCP APS Activity Manager at [pscp@usaid.gov](mailto:pscp@usaid.gov). No additional documentation or decision memorandum is required by the pertinent procurement or program offices. USAID staff, please email [pscp@usaid.gov](mailto:pscp@usaid.gov) for templates.

In addition, while a concept might reflect many of the qualities sought under this APS, it might not do so sufficiently to warrant further pursuit. There are many considerations affecting the decision; M/B/IOs will weigh those considerations, with emphasis on the alignment with the purpose of this APS and the value proposition in terms of development outcomes, results and impact.

None of the partners will be asked to submit a “full application” of the type used in more traditional federal assistance award processes. Rather than issue a Request for Full Application or Notice of Funding Opportunity to any of the partners involved in co-creating the collaboration, USAID will use the communication opportunities during co-creation to ensure the partners are aware of any information needed to draft the award. See Sections VIII and IX for more information.

#### **VIII. PROCESS STEP 4: CONTINUE CO-CREATION**

Following a favorable review of the concept, the USAID technical personnel will continue co-creating with the private sector (and other partners as appropriate) in an effort to develop a collaboration that warrants USAID funding. The partners will work together to determine specific roles and responsibilities; activities to be conducted; decision-making and governance approaches (as appropriate); what resources will be provided and how they will be applied; key program implementation factors and interdependencies; outcomes and results to be achieved; timelines; milestones (as appropriate); pricing and payments related to achieving identified milestones (as appropriate); prospective monitoring and evaluation approaches; and other matters the partners identify need to be resolved before the partners can commit to and implement the co-



created collaboration. USAID personnel must copy the PSCP APS Activity Manager ([pscp@usaid.gov](mailto:pscp@usaid.gov)) on all emails related to the co-creation throughout this process.

During this portion of the process USAID and the partners will also assess and determine the type of award agreement that is best suited to the proposed collaboration,<sup>9</sup> jointly write the program description that would be included in the resulting agreement, and work together to ensure that any other information and material needed to develop and draft an award are provided. While USAID technical officers will continue to lead the communication and co-creation process with the partners, the technical officers will engage their Agreement Officer; the Agreement Officer is responsible for making the final decision regarding award type.

Technical officers should work closely with the relevant program office to ensure accurate understanding of funding availability and the implications of current and prospective funding situations for the design of the collaboration; the activities to be conducted; and the nature of USAID's role in the prospective collaboration. USAID should keep all partners to the co-creation process apprised of any changes or developments in the operating unit's funding situation so the design is appropriate to the funding situation. Given the co-creation process under this PSCP APS, pricing, costs and budgets are discussed, assessed and developed as part of the co-creation conversations; the final budget comes as a result of the collaborative conversations. The ongoing joint and collaborative conversations and decisions regarding costs and pricing and whether the costs and pricing are appropriate, and the draft and final budgets will reflect these conversations and decisions.

### **A. Technical Considerations and Requirements**

The technical team will work to ensure that any collaboration co-created with the partners is consistent with the purpose of this PSCP APS as set forth in Section I, and offers outcomes and results that are valuable enough to the technical team to warrant the potential award of USAID funding. These core interests will be central considerations as the technical team works with the private sector and other partners to determine the specifics of the potential collaboration. As a result, the technical team may seek to incorporate and require substantive elements and programming approaches they deem appropriate to achieving USAID's interests through the collaboration. This may include specific technical approaches; resource leveraging; pay for performance or pay for results arrangements; or other matters as appropriate. USAID technical personnel will work with prospective partners under this PSCP APS to finalize any such requirements.

### **B. Co-Creation and Resource Leveraging**

Leverage, exclusive of cost-share, refers to all reasonably quantifiable non-USAID resources, including cash and in-kind resources, that are expected to be mobilized for and applied to a program that USAID is supporting or advancing. Leverage can be provided by various types of organizations, including but not limited to private sector entities as listed in this PSCP APS,

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<sup>9</sup> Engaging in the effort to develop an award is not a commitment to making an award. USAID's good faith efforts to develop an award in support of the co-created collaboration do not constitute an award commitment. There is no award commitment until an award is signed and issued.

public sector entities, civil society organizations, non-governmental organizations, higher education institutions, and foundations. Whether an entity receives an award of USAID funding has no bearing on an entity's eligibility to provide leverage.

Co-creation conversations under this PSCP APS must consider whether and how private sector leverage (resources contributed by private sector entities listed in [Section II](#) above), as well as leverage from other types of partners, might increase the effectiveness of the collaboration. Any decisions to require leverage, as well as determinations regarding the level and type (cash and/or in-kind) of leverage to require, rest with the USAID technical personnel involved in co-creating the collaboration.<sup>10</sup> So long as the leverage requirements, if required in an addendum to the Private Sector Collaboration Pathway Annual Program Statement (PSCP APS), meet the criteria outlined in [the standard foreign assistance indicators](#) and increase the prospective success and impact of the proposed collaboration, any USAID operating unit using this PSCP APS is free to require resource leveraging.

Reasons to leverage include: improving the scope and nature of program outcomes and results; achieving appropriate levels of risk-sharing among partners; advancing successful implementation; ensuring the efficient and effective application of partner expertise and capabilities; addressing technical gaps and interdependencies; and fostering engagement, commitment, and confidence among the partners.

In all cases, leverage will be considered and assessed based on whether, how and to what degree it improves the results of the collaboration; leverage is only valuable to the degree it advances the efficiency, effectiveness, and impact of the collaboration. Leverage should only be pursued based on the value propositions it will offer to the collaboration.

## **IX. PROCESS STEP 5: FINALIZE AND ISSUE AWARD**

Based on the results of Step 4, and assuming the co-creation results in a collaboration worth pursuing and funding, the partners will finalize the development and negotiation of an award agreement appropriate to the proposed collaboration. The technical team, working in close coordination with their procurement colleagues and other USAID colleagues as appropriate (such as General Counsel or Regional Legal Officer), will gather any remaining information needed to finalize an award agreement. At this time the technical team will document support to proceed to award by sending an email (USAID staff, please email [pscp@usaid.gov](mailto:pscp@usaid.gov) for templates) to the Agreement Officer, with a copy to the program office and the APS Activity Manager. **This email documents the technical determination that an award is warranted; no other documentation will be required under this PSCP APS.**

Once the technical team provides the technical email approval to proceed to award, the procurement office will take the actions needed to conclude the award negotiations and finalize the award. Note that a selection of instrument memorandum is not required under this APS. Any award under an annual program statement must be made through an assistance instrument, the

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<sup>10</sup> If any USAID Mission, Bureau or Independent Office (MBO) issues an addendum under this PSCP APS, the MBO is free to specify leverage requirements in the addendum or develop such requirements during the co-creation of collaborations that take place under the addendum.

specific type of which will be determined by communication between the partners and USAID technical and procurement personnel. Certain types of collaboration may warrant or require the development of a Memorandum of Understanding, Letter of Intent, or other document aimed at memorializing partner roles and responsibilities, governance, and decision-making approaches, and/or other matters not addressed or not sufficiently addressed under an award agreement. Technical officers should consult with their General Counsel (GC) or Regional Legal Officer (RLO) to determine whether the collaboration requires such documents.

Once the technical team provides the technical determination email, the procurement office will take the actions needed to conclude the award negotiations and secure award signatures. Finalizing the award is not the end of co-creation. Discussions related to finalizing the agreement may prompt partners to recognize matters that warrant additional conversation. Given this possibility, close communication among the partners is best practice. This communication helps the Agreement Officer draft an award agreement best suited to the project. Activity implementation will then commence per the terms of the award.

M/B/IOs may have “Mission Orders” or activity design and approval processes that operate independently of the processes set forth in this PSCP APS. If such activity design and approval processes impose additional actions (within USAID or in concert with potential partners), the MBIO will clearly communicate those processes and their implications – while also making sure partners understand such processes are not inherent to the PSCP APS process. This APS has been designed to provide a highly efficient co-creation process that does not require any actions or documentation other than those necessary to satisfy legal and policy requirements.

## **X. AWARD CONSIDERATIONS**

The PSCP APS is unfunded. Any funding awarded through this PSCP APS will be provided by the USAID operating unit(s) engaged with the private sector. There is no ceiling on how much funding can be programmed through this PSCP APS, nor is there a ceiling on how much funding any single USAID Operating Unit can program through this PSCP APS. The issuance of this PSCP APS satisfies all relevant USAID and USG requirements with regard to competition and eligibility. Awards under this APS may take the form of grants, fixed amount awards, cooperative agreements, or any other types of assistance agreement authorized by law<sup>11</sup>.

Technical officers (and others designated and approved by the technical officers) at USAID MBIOs are responsible for reviewing concepts submitted under this PSCP APS. Subject to the terms of this PSCP APS, USAID Missions and B/IOs are also responsible for management of the award process and any award agreements that might result.

**Note: This PSCP APS does not satisfy the requirements for competition for procurement of goods and services through acquisition instruments. USAID will not provide funds under this PSCP APS for products and services that must be purchased through a contract.**

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<sup>11</sup> In certain circumstances, awards might be cooperative agreements within the meaning of 2 C.F.R. 200.24, in which case the “substantial involvement” might involve USAID direction on the design or implementation of activities related to the achievement of development objectives in developing country contexts.

## A. Considerations Regarding the Pursuit and Award of USAID Funding

Issuance of this PSCP APS does not constitute an award or commitment on the part of the U.S. Government, nor does it commit the U.S. Government to pay for costs incurred in the preparation and submission of a concept or any other materials prior to issuance of an award. Prospective applicants should be aware of the following considerations:

1. **Issuance Period:** **The 2023-2025 PSCP APS seeks concepts and related funding requests through April 26, 2025. If USAID decides to make an award in response to a concept submitted under this PSCP APS, USAID has until two years after the concept was received to make such an award.** It is expected that awards issued to support activity implementation under a proposed collaboration will have a period of performance from 12 to 60 months.

2. **Award Discretion:** **USAID reserves the right to make or not to make awards through this APS.** The actual number of assistance awards, if any, under this APS is subject to the availability of funds and the interests and requirements of Missions and Bureaus/Independent Offices (B/IOs), as well as the viability of the concepts received and the collaborations co-created under this APS. There is no predefined minimum or maximum number of partners or partnerships USAID Missions and B/IOs will support through this APS. There is no ceiling on how much funding can be programmed through this PSCP APS, nor is there a ceiling on how much funding any single USAID operating unit can program through this PSCP APS.

3. **USAID Funding Sources:** **The PSCP APS is not supported by centralized funds. Any funding for any collaboration proposed under this APS would have to be requested from the specific USAID Mission, Bureau or Independent Office with which the prospective private sector partner seeks to collaborate and to which a concept is submitted.** The PSCP APS simply provides a vehicle for soliciting and receiving concepts and co-creating collaborations that may warrant an award of USAID funding. Funding and other resources for any collaboration under this PSCP APS must be provided by the relevant USAID Mission, Bureau or Independent Office and the non-USAID partners that are party to an application. Consultation with a Mission, Bureau or Independent Office prior to submission of a concept under this PSCP APS helps determine whether there is potential substantive and resource support for the proposed collaboration from USAID before the prospective applicants and their partners invest significant time and resources in the development of a collaboration. See Section V of this PSCP APS. Potential substantive and resource support does not constitute any sort of commitment to fund a subsequently proposed collaboration.

4. **Addenda:** While this PSCP APS serves as a general solicitation for private sector collaboration concepts, **M/B/IOs may issue an addendum to solicit concepts related to their specific priorities, objectives, and programs.** The communication freedoms, co-creation opportunities and processes, and concept submission and review approaches set forth under this PSCP APS apply to all addenda. For example, no additional review processes, evaluation committees or decision documentation will be required. Any addendum issued under this PSCP APS may have a closing date up to 120 days later than the closing date of this PSCP APS. The closing date of an addendum issued under this PSCP APS may also be extended up to 120 days later than the

closing date of the PSCP APS. Addenda with a closing date later than the closing date of the PSCP APS would still be controlled by the terms and requirements of this PSCP APS.

For additional information, and required clearances, related to developing and issuing an addendum (USAID staff, please email [pscp@usaid.gov](mailto:pscp@usaid.gov) for templates) under this PSCP APS, USAID personnel should review the internal materials (please email [pscp@usaid.gov](mailto:pscp@usaid.gov) for guidance documents) and then contact the PSCP APS Activity Manager at [pscp@usaid.gov](mailto:pscp@usaid.gov) if they still have questions.

5. Award Amounts: There is no minimum or maximum financial contribution that may be requested by prospective applicants from USAID under this APS. However, the prospective results of any collaboration proposed under this APS should be significant enough to warrant the level of funding requested, as well as the USAID and partner level of effort needed to manage the activities and award in question.

6. Optional Participation: M/B/IOs may opt to not participate in this worldwide APS, limit the issues or sectors they are willing to consider or seek private sector collaboration concepts by issuing their own solicitations, which can be found at [www.grants.gov](http://www.grants.gov) and <http://beta.sam.gov>.

7. Status as Traditional Implementing Partner: If the applicant organization is a “traditional implementing partner,”<sup>12</sup> such as an NGO, higher education institution (HEI), contractor, or other organization that has received or is considered appropriate to receive federal funding under grants, fixed amount awards, cooperative agreements, and/or leader with associate awards, the applicant organization needs to be aware of the following requirements:

a) For U.S. organizations, 22 CFR 200, 2 CFR 700, OMB Circulars and USAID Standard Provisions are applicable to any award that may result from this APS. **Please refer to <https://www.usaid.gov/ads/policy/300/303> for governing regulations, standard provisions, and required certifications that will need to be submitted by applicants at the time of award.** For non-U.S. organizations, Mandatory Standard Provisions mentioned in USAID’s Automated Directive System (ADS) 303 are applicable.

b) In order to be eligible to receive U.S. Government funding, organizations must meet certain requirements. **While these requirements do not have to be met in order to submit a concept under this APS, they will need to be met before the organization can receive an award of USAID funding.**

The requirements are:

#### i. Registration Matters

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<sup>12</sup> For purposes of this APS, a “non-traditional partner” is defined as a private sector entity (as set forth in [Section III](#)) whose principal business purpose is other than development assistance, and who has not routinely received federal funding under traditional contracts, grants, cooperative agreements. If the applicant organization is a “non-traditional partner,” USAID may still require the entity to meet the requirements set forth in this section. The USAID Mission/B/IO will provide guidance as appropriate.

- Any first-time applicant for USAID funding may be subject to a pre-award survey or other assessment to verify that the applicant has proper procedures in place to receive and manage USAID funding (ADS 303.3.8).<sup>13</sup>
- Each applicant (unless the applicant is a Federal awarding agency that is exception from those requirements under 2 CFR 25.110(b) or (c), or has an exception approved by the Federal awarding agency under 2 CFR 25.110(d)) is required to:
  - Be registered in [www.SAM.gov](http://www.SAM.gov) before submitting its application;
  - Provide a valid UEI number in its application; and
  - Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency. To obtain information regarding the preceding, see the respective links: <http://www.dnb.com> and <http://beta.sam.gov>. Since none of the partners will be asked to submit a “full application”, SAM registration will be requested at the time a decision is made to proceed to award. Please allow several weeks for processing through SAM.GOV.
- Some domestic organizations may also need to register as a U.S. Private Voluntary Organization (PVO). Applicants may determine if they meet the definition for a PVO and find registration instructions here (<http://www.usaid.gov/pvo>). Registration is not required before concept submission but, if required, must be completed before funding can be disbursed.

**USAID may periodically amend this APS, as necessary or appropriate. Any such amendments will be posted publicly at [www.grants.gov](http://www.grants.gov).**

## **XI. QUESTIONS**

Questions regarding this annual program statement should be directed to the PSCP APS Activity Manager at [pscp@usaid.gov](mailto:pscp@usaid.gov).

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<sup>13</sup> First time applicants for USAID funding may also find it valuable to visit [www.workwithusaid.org](http://www.workwithusaid.org). See Work with USAID [link](#) or an Appendix 3 for more information regarding pre-award surveys and related assessments.