



USAID
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**U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
ANNOUNCEMENT**

**CALL FOR PRIVATE SECTOR COLLABORATION
to Advance USAID/Egypt's Development Objectives in the Areas of Governance
Reform, Social Equity, Inclusive Economic Development,
and Key Cross-cutting Priorities**

**UNDER THE EXISTING PRIVATE SECTOR COLLABORATION PATHWAY (PSCP)
ANNUAL PROGRAM STATEMENT (APS) No. 7200AA23APS00007**

ISSUANCE DATE: June 13, 2024

CLOSING DATE: June 12, 2025, 5:00 PM (Cairo Local Time)

PLEASE NOTE: This is an addendum to an existing announcement. All interested organizations should carefully review both this addendum AND the full PSCP APS, which can be found [here](#). Important information contained in the full APS applies to but is not repeated in this specific addendum.

Through this Addendum to the 2023-2025 Private Sector Collaboration Pathway (PSCP) Annual Program Statement (APS) No. 7200AA23APS00007 (the PSCP APS)¹, USAID/Egypt is making a special call to identify private sector-led solutions that will advance objectives and goals under USAID/Egypt's Country Development Cooperation Strategy (CDCS),² highlighted in more detail under Section II.

¹ See the PCSP APS Homepage at <https://www.usaid.gov/work-usaid/private-sector-engagement/private-sector-collaboration-pathway>

² <https://www.usaid.gov/egypt/cdcs>

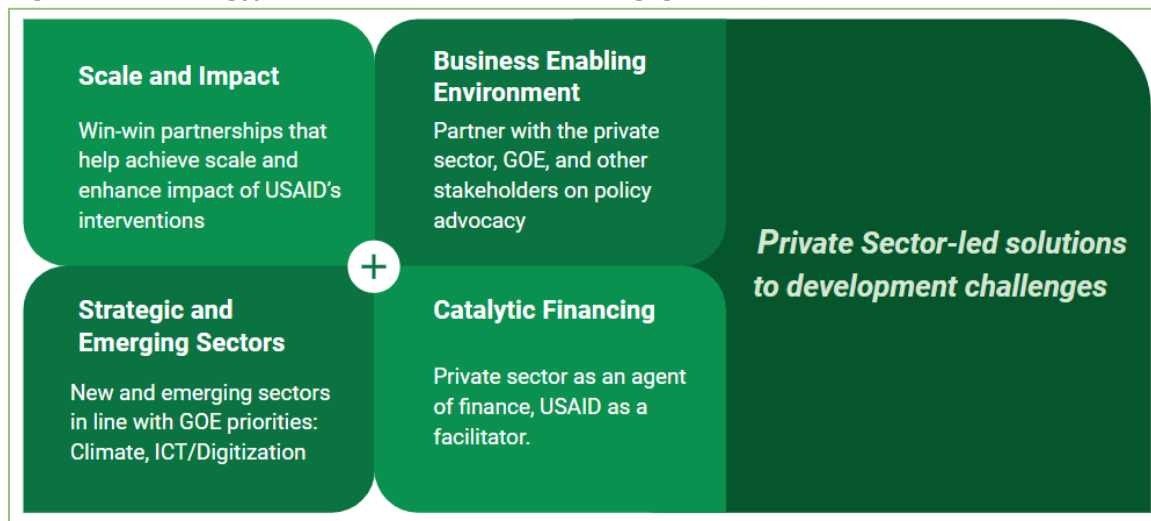
I. Background

Egypt is the most populous country in the Middle East with over 100 million people and a dynamic private sector. Agriculture and tourism are mainstays of the economy while major efforts are underway to support and strengthen the business operating ecosystem and improve labor force participation in the economy. The Government of Egypt (GOE) has stated that decreasing inflation and interest rates, supporting human development, and supporting the private sector are at the forefront of its reform agenda over the coming two to three years. However, a protracted foreign currency shortage, currency devaluation, high inflation, and a state-owned enterprise-led private sector have, particularly over the last 12-18 months, created adverse economic conditions for the economy. While the combination of these factors makes the private sector more risk averse, there remain opportunities for private sector-led growth and development.

USAID/Egypt seeks to advance a robust private sector engagement (PSE) approach to addressing some of Egypt's greatest development challenges. PSE will be complemented by separate but equally important efforts to create a better operating environment for businesses and position them to drive the economy forward. Current USAID programs and projects ("activities") have ongoing collaboration with private sector entities to achieve greater development scale and long-term impact in areas that correspond to the government's strategic priorities. These areas include but are not limited to policy reform, scalable rural energy, pro-poor services, pro-poor financial products, women and youth empowerment, employability and workforce development, trade promotion, tourism, water and agriculture, climate change, and family planning.

USAID/Egypt's vision for private sector engagement (Fig. 1 below) seeks private sector-led development solutions in the priority areas highlighted above and in others elaborated in the following sections based on 'win-win' partnerships. This implies that there is a clear business case and incentive for the private sector partner while USAID/Egypt is supported in advancing its development solution. Partnerships will help achieve scale and enhance the impact of USAID's interventions while making business sense to partners and collaborators. USAID/Egypt seeks to strengthen relationships with key private sector entities across strategic and emerging sectors through such partnerships. It is actively exploring new partnerships that leverage the private sector's crucial role as an agent of change and resource mobilization while using USAID's convening and facilitative role to catalyze private investments in key thematic areas, as listed above. USAID/Egypt, through its ongoing and future PSE efforts, wants to create private sector leadership that can lead to increased scale and privately-led development solutions.

Figure 1: USAID/Egypt’s Vision for Private Sector Engagement (PSE)



Source: PSE Vision launched at the January 2024 USAID/Egypt Implementing Partners’ quarterly meeting in Cairo, Egypt; GOE: Government of Egypt; ICT: Information Communication Technology.

Through this Private Sector Collaboration Pathway (PSCP) Annual Program Statement (APS) addendum, USAID/Egypt seeks private sector partnerships that support one or more Development Objectives (DOs), as described in the current Egypt [Country Development Cooperation Strategy](#) (CDCS, 2020-2025).

This addendum creates a mechanism for USAID/Egypt to receive concept papers for collaboration and partnerships with private sector entities. The APS outlines a phased co-creation process that entails exploring interests, submitting a concept; if successful, the parties will continue co-creation toward a potentially funded award.

II. Objectives

USAID/Egypt seeks to support Egyptian ideas, innovations and solutions, not to find a partner for an existing or already defined, USAID-identified solution. USAID/Egypt seeks partnerships with the private sector - which is defined, for the purposes of this APS addendum, in Box A below - to develop innovative and cost-effective solutions to development challenges. The private sector constitutes actors in the economy that are not run by the government. It comprises the businesses, enterprises, social impact businesses, private not-for-profit companies, foundations, financial institutions, universities, and research entities, that are controlled by private individuals and groups without support from the public sector. All applicants and awardees must be legally recognized organizational entities under applicable law. Companies and organizations run by the state are considered to be the public sector. Refer to Sub-section B, “Eligible Applicants and Awardees”, on page 6, under the parent USAID APS for more details on eligibility, and on examples of groups that meet the criteria.

Box A: The Private Sector

For the purposes of this Addendum, and in accordance with the PSCP APS, the core requirement for a private sector partner must be met by one or more of the following types of entities:

- a) *Private for-profit, commercial entities such as a business, corporation, or small or medium enterprise or private firm;*
- b) *Private foundations affiliated with private for-profit, commercial entities;*
- c) *Private finance providers, intermediaries, or financial institutions, including banks, private investment firms, mutual funds, private equity funds, pension funds, and insurance companies;*
- d) *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*
- e) *Cooperatives.*

In addition, collaborations supported under this PSCP APS must involve cooperation between USAID and the private sector. 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 above. 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.

USAID/Egypt is particularly interested in partnerships that achieve impact at scale and where private sector know-how and investments can bring sustained, transformative change to communities and regions. Channeling private sector resources through such partnerships will enable USAID/Egypt to maximize limited development funds across critical areas. The APS is also designed with the intention of establishing sustainable partnerships with private sector entities that have demonstrable equities in the partnership based on complementary or overlapping interests that make business sense. This PSCP APS addendum enables USAID/Egypt to fund activities developed through co-creation and collaboration with the private sector; it also helps to advance USAID/Egypt's relationships with private sector entities across development sectors in Egypt.

Through this Addendum to the Agency-wide [Private Sector Collaboration Pathway \(PSCP\) Annual Program Statement \(APS\) No. 7200AA23APS00007 \(the 'PSCP APS'\)](#), USAID/Egypt is making a special call for the submission of concepts from private sector entities that will support and advance its broad development objectives.

The following subsection highlights, for illustrative purposes, key areas in PSE under each DO that are under consideration for private sector engagement. This is followed by partnerships under consideration in areas specifically identified by USAID/Egypt.

1) DO1: Effectiveness of Reforms of Key GOE Entities Strengthened

USAID will support the Government of Egypt (GOE) in consulting with private sector stakeholders on *governance reforms to improve the business enabling environment and enable enterprise-driven growth* under DO1. This includes the use and/or creation of an institutionalized Public-Private Dialogue (PPD) to support consultative and evidence-based policy planning processes, ensuring that reforms are appropriately targeted, effectively implemented and adopted for scalability. Ultimately, this approach aims to promote investment of public resources to foster economic growth that is both enterprise-driven and inclusive of all Egyptians.

Preferred partnerships with the private sector under this DO may include - but are not limited to - partnerships that:

- a) Improve the enabling environment for the private sector, including the startup and entrepreneurship ecosystem to further develop in Egypt;
- b) Support GOE governance, anti-corruption, and public administration reforms for a more favorable investment environment;
- c) Catalyze domestic and overseas private sector investment for the GOE digital transformation initiative that is underway; and
- d) Support IT certifications and skills acquisition by the workforce that supports the digital transformation.

2) DO2: Enabling Conditions Promoting Social Equity Improved

The private sector is a key partner for *achieving social equity outcomes* under DO2. In education, USAID will support researchers to partner with the private sector to conduct applied research that meets market needs. USAID will continue partnering with the public and private sectors to create and deliver market-relevant university and technical training education to ensure graduates have the skills needed to succeed. In health, USAID will continue to work with employers to demonstrate the return on investment of providing employee healthcare and will work with syndicates and pharmaceutical companies to improve the quality of services in private health facilities. Private sector engagement has to address where possible vulnerable groups that are disproportionately affected by the lack of services and by other adversities and help provide solutions for the discrepancies. USAID/Egypt is also seeking partnerships with entities that promote peace, stability, tolerance, and inclusion among different communities.

Preferred partnerships with the private sector under this DO may include - but are not limited to - partnerships that:

- a) Support initiatives that promote women’s participation in the workforce, improve the work environment for women, and expand women’s financial inclusion;
- b) Support public sector efforts in equipping, maintaining, and expanding STEM schools;
- c) Support university disability centers, and scale-up and/or run facilities currently supported under USAID programming;
- d) Catalyze investments in services under the Ministry of Health and Population’s (MoHP) National Digital Health Strategy on multiple technology-related fronts, from the Enterprise Architecture development perspective to the adoption of multiple change management theories, as the GOE implements its Digital Health strategy;
- e) Support the development of a MoHP training platform that can potentially expand to include all training activities under MoHP and all its subsidiaries including the Egypt Drug Authority (EDA), the General Authority for Healthcare Accreditation and Regulation (GAHAR), and the Health Insurance Organization (HIO); or,
- f) Support the GOE to operationalize its One Health strategy - particularly through linkage with key sectors such as Information Technology (IT) and pharmaceuticals that support the framework and service delivery, respectively.

3) DO3: Inclusive Economic Development Accelerated

Under DO3, USAID/Egypt will both engage the private sector in shared value partnerships and also develop private sector capacity through targeted support to address key challenges to *inclusive economic growth*, including the high cost of doing business and a high unemployment rate, particularly among women and youth. Private sector competitiveness will be supported by promoting reforms that improve the business enabling environment and build institutional capacity to implement business-friendly policies. USAID/Egypt will work to explore alternative financing schemes that increase access to financial resources for both the GOE and the private sector. In addition, USAID/Egypt will continue to work closely with federations and business associations and lead firms to encourage innovation and best practices, improve productivity, support the growth of micro, small and medium enterprises (MSMEs), and promote new and expanded opportunities for trade, with additional efforts to improve the skills and employability of women and youth.

Preferred partnerships with the private sector under this DO may include — but are not limited to — partnerships that:

- a) Support the water and wastewater utilities sector, water resources management, and advance the GOE water security agenda;
- b) Support investment in cultural, experiential, and sustainable tourism; support the enabling infrastructure to increase accessibility to touristic sites; and, improve the business and legal environment for the tourism sector;

- c) Invest in the preservation and protection of natural and ecological resources such as coral reefs and natural protected areas;
- d) Support climate-smart agriculture at scale;
- e) Create or enhance linkages between technical/vocational schools, technical universities, and the private sector; or,
- f) Improve availability and accessibility to services (financial, information, markets, technology, etc.) offered to businesses.

4) Cross-cutting areas: Climate, Digitalization, and Women's Empowerment

Catalytic Financing: USAID/Egypt is considering partnerships that can catalyze private investments for development goals. USAID envisions itself as a facilitator and can support interventions to complement the role of other actors such as commercial banks, impact investors, foundations, and development and impact finance entities. Catalytic funding is designed to mitigate risk and may be used to offset a wide range of operational or startup costs by enabling fund managers to create a first-loss or subordinate financing layer in the capital structure of a fund. It strategically deploys resources to support innovations in funding vehicles, enable financing to reach underserved markets, and encourage otherwise risk-averse investors to engage in new opportunities with potential for development impact. The priority for catalytic funding, as with any private sector engagement, is to design programs to maximize additionality and create positive development impacts such as improved food security, job creation, climate action, or gender equality.

Climate Change: USAID/Egypt is fully committed to climate mitigation and adaptation. USAID/Egypt seeks ways to capitalize on the momentum in climate-related efforts following the 2022 Climate Conference of Parties (COP27) in Egypt. This commitment includes partnerships with private sector entities on renewable energy, agriculture, carbon credit, waste management, and investment in/operation of green technologies and sustainable transport. There is also the specific potential for climate-based financing that supports USAID/Egypt efforts under the catalytic financing approach, as explained in the subsection above.

Digitalization: USAID/Egypt seeks to leverage Information and Communication Technologies (ICT) in its development programming where ICT adoption has the potential to advance social equity, inclusive economic growth, and increased GOE effectiveness and accountability. USAID/Egypt will pursue partnerships with private sector entities in different sectors, including in education, health, workforce development, and digital financial services, to address ICT systems strengthening.

Empowerment of Women and Groups Facing Shocks or Stressors: USAID/Egypt seeks partnerships that advance the economic and social empowerment of women and communities that are vulnerable to a myriad of challenges and shocks. Target groups might include: the impoverished, ethnic and religious minorities, people with disabilities,

youth, and communities vulnerable to shocks. Potential interventions can include: leadership and life skills development and training, vocational/entrepreneurship capacity development, economic/job opportunities, market access, financial inclusion, access to basic needs (education, health, food, water, shelter, etc.), and combating violence against women and girls. USAID/Egypt is open to innovative approaches using outreach campaigns, media and community initiatives to support this area of work.

III. Anticipated and/or Illustrative Outcomes and Results from Private Sector Collaboration

Please refer to the illustrative examples under each DO in Section II, 'Objectives'.

IV. Funding Range / Number of Awards

The estimated award amount will be determined through the co-creation process. USAID/Egypt is not limiting the number of awards that may originate from this PSCP APS Addendum. USAID/Egypt anticipates the total estimated amount obligated to each award will range from 250,000 USD to 1.5 million USD or more. This does not include additional funding, leverage, cost-share, or in-kind contributions from USAID implementing partners of current activities, or from the private sector partner in this award, the inclusion of which will be a requirement for award. The actual number and value of awards is subject to the availability of funds.

V. Illustrative Approaches and Other Information

USAID/Egypt will only consider concepts under this PSCP APS Addendum that align with the DOs outlined in Section II; USAID/Egypt will explore potential synergies between the awards granted under this APS Addendum and ongoing USAID-funded activities.

The opportunities to collaborate are not limited by geographical scope within Egypt; while there are certain restrictions on access and operability in certain regions, these will be discussed with a potential partner if the need arises.

An in-cash and/or in-kind contribution is expected from the private sector partner which will be discussed and determined during the co-creation process; there is no minimum amount required from the partner. Private sector contributions towards a partnership can be provided by a single entity or a consortium of entities working together on the same activity.

VI. Responding to this Addendum

For purposes of this Addendum, the point of contact to explore potential collaborations and ask questions related to this Addendum is the Private Sector Engagement team at

egyptpse@usaid.gov. All emails related to this Addendum and the development of a collaboration under this Addendum should also be copied to egypt.oaa@usaid.gov and pscp@usaid.gov.

Per the terms of the PSCP APS, any collaboration developed and co-created under this Addendum must be based upon a core working relationship between USAID and one or more of the private sector entities listed in Section II of the [PSCP APS](#). The USAID-private sector communication and co-creation required under this Addendum 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: USAID/Egypt 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/Egypt and the private sector entity regarding this addendum, all of which is consistent with USAID's [Private Sector Engagement Policy](#).

2. Communication and Co-Creation Initiated by the Private Sector: Private sector entities may send an email to egyptpse@usaid.gov with a copy to egypt.oaa@usaid.gov and pscp@usaid.gov. The email must briefly indicate why the private sector entity is interested in collaborating with USAID/Egypt and how the entity anticipates achieving the objectives set forth in this addendum. If needed, the private sector entity may coordinate with an implementing organization (e.g., international or local non-governmental organization) to implement the proposed activity. If USAID/Egypt is interested in learning more about the private sector entity's interests and objectives and exploring potential collaboration, USAID/Egypt will contact the private sector entity directly to arrange an initial conversation with that entity.

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), academia and government agencies, have productive working relationships with private sector entities. If an organization is interested in advancing communication and collaboration between USAID/Egypt and a particular private sector entity to advance the success of this addendum, the organization should send an email to egyptpse@usaid.gov with a copy to egypt.oaa@usaid.gov and pscp@usaid.gov. The email should include a brief description of how the organization anticipates achieving the objectives set forth in this addendum and must provide the contact information of the private sector entity the organization thinks would be a valuable core partner.

Next Steps: USAID/Egypt will communicate with you regarding next steps. Do not submit a concept unless USAID/Egypt requests a concept paper by email. Additional, specific instructions regarding concept submission will be provided if and when USAID indicates a willingness to receive and review a concept. If USAID/Egypt indicates a willingness to receive and review a concept, the concept will be reviewed per the

considerations listed in Section VII of this addendum. The completed concept and any additional required supporting information will be sent to the USAID Private Sector Engagement team at egyptpse@usaid.gov with a copy to egypt.oaa@usaid.gov and pscp@usaid.gov.

VII. Concept Review Collaboration Evaluation/Review Considerations

If USAID indicates that an organization may submit a concept (See Section VI of this addendum), the concept and proposed collaborations will be reviewed based on the considerations set forth in Section VII of the full PSCP APS. In addition, the following considerations will also be used:

Applicants must display a clear commitment to work with USAID/Egypt on any of the areas identified in the APS co-creation process and have proven resources dedicated to the particular partnership award. The leverage requirements in the partnership determined through the co-creation process as stated in Section V of this addendum must be satisfied. Concepts can potentially align with more than one development objective listed under Section II, 'Objectives'.

USAID/Egypt will accept and review partnership concepts from applicants for an initial period of three months starting from the date of issuance of this PSCP APS Addendum. This will be followed by a one-month review period where additional concept papers will not be accepted. Thereafter, the three-month period will re-open to accept additional concept papers and then close again for one month to review submitted concept papers. See the following for more detail:

- Window 1:
 - June 13 - September 12, 2024: USAID/Egypt will receive concept papers.
 - September 13 - October 12, 2024: USAID/Egypt will review received concepts.
- Window 2:
 - October 13 - January 12, 2025: USAID/Egypt will receive concept papers.
 - January 13 - February 12, 2025: USAID/Egypt will review received concepts.
- Window 3:
 - February 13 - May 12, 2025: USAID/Egypt will receive concept papers.
 - May 13 - June 12, 2025: USAID/Egypt will review received concepts.

VIII. Questions

Questions regarding the substance and objectives of this addendum should be directed to the USAID/Egypt Private Sector Engagement team at egyptpse@usaid.gov, with a copy to egypt.oaa@usaid.gov and pscpaps@usaid.gov.

USAID would prefer that organizations submit their questions by **July 31, 2024**. **While USAID/Egypt will certainly entertain and respond to questions throughout the process, past experience indicates developing and submitting questions as early as possible in the process is of tremendous value to prospective partners.** Please note, questions that reveal a need for clarification of matters in the addendum will be posted at grants.gov, and prospective applicants should regularly check grants.gov. USAID/Egypt will not post all questions that are submitted, only those USAID determines are important to clarifying matters under this addendum. The FAQs will be revised on an ongoing basis.

Questions regarding the substance and terms of the PSCP APS should be directed to pscpaps@usaid.gov. Unless otherwise stated herein, all terms and conditions of the PSCP APS FY 2023-2025 apply.