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USAID/MUNICIPAL ECONOMIC GROWTH ACTIVITY (MEGA)

GRANTS-IN-KIND TO MEGA PROGRAM PARTICIPATING MUNICIPALITIES

POLICY AND PROCEDURES MANUAL

Administered by The Urban Institute



This Grants-in-Kind Policy and Procedures Manual is prepared in an official English-language original version, and an accompanying Serbian translation thereof for the sake of convenience. The translation conforms to the original, but in case of doubt, the English language original version is the only controlling version.

GRANTS-IN-KIND POLICY AND PROCEDURES MANUAL

TABLE OF CONTENTS

1. INTRODUCTION	3
1.1. MEGA AND THE URBAN INSTITUTE	3
1.2. ROLES AND DEFINITIONS	4
2. GENERAL DESCRIPTION OF GRANTS-IN-KIND.....	5
2.1. GRANTS-IN-KIND TO MEGA PROGRAM PARTICIPATING MUNICIPALITIES.....	5
2.2. ELIGIBILITY CRITERIA	5
<i>a. Eligible Projects.....</i>	<i>6</i>
<i>b. Eligible Services and Commodities.....</i>	<i>6</i>
<i>c. Ineligible Activities.....</i>	<i>6</i>
2.3. EVALUATION AND SELECTION CRITERIA	7
<i>a. Key evaluation criteria.....</i>	<i>8</i>
<i>b. Other evaluation criteria.....</i>	<i>8</i>
<i>c. Standard Grant Provisions Criteria – Gender, Disability Policy, Environmental Considerations, Anti-corruption.....</i>	<i>8</i>
3. GRANTS-IN-KIND AWARDING PROCEDURES	10
GENERAL STRATEGY.....	10
3.1. STAGE ONE: IDENTIFICATION OF THE ELIGIBLE PROJECTS	12
3.2. STAGE TWO: SUBMITTING APPLICATION	12
3.3. STAGE THREE: EVALUATION AND SELECTION PROCESS	13
3.4. STAGE FOUR: PROCUREMENT OF GOODS AND SERVICES	13
3.5. STAGE FIVE: MONITORING PROJECT IMPLEMENTATION AND RESULTS	13
3.6. STAGE SIX: HANDOVER ACT	14
4. LIST OF FORMS USED IN THE GRANT PROCESS	15
SUPPORTING INFORMATION FORM	16
GRANT-IN-KIND OUTCOME SEQUENCE CHART EXAMPLE	20
CHECKLIST	21

GRANTS-IN-KIND POLICY AND PROCEDURES MANUAL

MEGA Grants-in-kind to MEGA Program Participating Municipalities

SECTION ONE

INTRODUCTION

This manual establishes the procedures for providing in-kind grants to MEGA partner municipalities. If you have any questions relating to the MEGA project or this manual, please contact:

The Urban Institute
Municipal Economic Growth Activity (MEGA),
attention: The Grants Manager/Procurement Specialist
Osmana Djikica 3
11 000 Belgrade, Serbia
Tel: (+ 381 11) 2071 900; Fax: (+ 381 11) 2071 900
E-mail: grants@ui-serbia.org

1.1. MEGA and The Urban Institute

The United States for International Development (USAID) funded **Municipal Economic Growth Activity (MEGA)** is a local economic development project which started in October 2005 and is implemented by The Urban Institute (UI). The purpose of the MEGA project is to develop the skills of local governments and local business groups to foster economic growth and job creation, establish private-public partnerships and attract investments, and assist them to put these concepts and skills into practice, in order to create a business friendly environment where the local private sector might flourish.

MEGA will provide technical assistance, material support and training to towns and municipalities selected to participate in the program to enable them to support the economic development of their communities. This assistance would extend to: strategic planning; formulation and implementation of business regeneration, retention and attraction policies and programs; promotion and marketing; information dissemination (including profiles of the local economy); identification of investment opportunities; and facilitating private businesses and investors through the bureaucratic maze, linking businesses to financial institutions, etc. MEGA will assist municipal governments to establish or enhance their economic development offices, define their roles and carry out their functions.

MEGA is monitored and evaluated based on the following primary indicators: number of new jobs created as a result of MEGA program, number of new businesses established, number of new direct public and private investment that promote local economic development attracted and number of private-public partnerships established.

The Urban Institute (UI) is a non-profit policy research organization established in Washington, D.C. in 1968. In recent years, the Institute's international work has involved developing, reforming, and strengthening the performance of local and national governments, enhancing private sector markets, and improving the quality of life overseas. UI has worked in more than 65 countries, including 25 countries of Eastern Europe and the former Soviet Union.

1.2. Roles and Definitions

MEGA Program Participating Municipality (or MEGA partner municipality): Municipality that has signed a Memorandum of Understanding with the MEGA Program.

Grant-in-kind: Commodities or services procured by The Urban Institute on behalf of a MEGA Program Participating Municipality.

Technical Evaluation Committee: The Technical Evaluation Committee examines all proposals and selects applications to be funded by consensus if possible, by majority vote if necessary. Technical Evaluation Committee also makes recommendations for changes to scope and changes to budget to be negotiated with MEGA partner municipality before proceeding with procurement procedures. Technical Evaluation Committee will be comprised of at least three members from MEGA Program staff, including the MEGA Chief of Party and Deputy Chief of Party.

Program Staff: The Program Staff is comprised of the MEGA Senior Management, the Grants Manager/Procurement Specialist, and MEGA Teams members. MEGA Teams members who are advising a municipality on establishing a LED Office or creating an Economic Development Strategic Plan will also work with that municipality on developing applications for in-kind grants. The Grants Manager/Procurement Specialist will prepare a bid package, distribute it to interested bidders, attend bid openings, prepare material for bid selection, maintain a database with the status of in-kind grant projects, and provide training to the municipality on how to prepare bid materials.

Project: A term used to refer to all activities proposed by the Municipality to be supported through the MEGA in-kind-grant.

UI Contracts Office: The UI Contracts Office oversees all subcontracts issued by UI. No subcontracts for goods or services will be signed without the approval of the UI Contracts Office.

USAID CTO: The USAID Cognizant Technical Officer for MEGA will approve a project to be supported through in-kind grant, after the recommendation of the Technical Evaluation Committee has been made and Justification Memo for USAID's consideration submitted. This will occur before the Grant Addendum to the MoU has been signed with the Municipality and before procurement process for goods or services initiated and subcontractor selected.

SECTION TWO

GENERAL DESCRIPTION OF GRANTS-IN-KIND TO MEGA PROGRAM PARTICIPATING MUNICIPALITIES

The purpose of these funds is to provide a resource to overcome critical constraints to achieving project objectives, principally at the municipal level, or to act as seed money to initiate activities key to spurring local economic development. As the funds are provided with the intention to act as a deal-maker in accomplishing critical objectives, the Urban Institute expects that a fundamental principle will be that the MEGA grant-in-kind constitutes a minority support of the activity. Exceptions will, however, be made on a case by case basis, provided that the in-kind-grant support is critically important for achieving at least one of the MEGA indicators and is properly justified.

2.1. Grants-in-kind to MEGA Program participating municipalities

MEGA has set up a grants fund of \$ 2.4 million, out of which approximately \$ 1.9 million will be disbursed as grants-in-kind to the MEGA Program participating municipalities. The abovementioned amount will be apportioned among MEGA Program participating municipalities in accordance with the Memoranda of Understanding signed with each municipality. The Urban Institute reserves the right not to disburse the whole grant fund amount or the amount allocated to the specific municipality.

The funds will be used in a highly targeted way in order to accomplish the primary objectives of the program. These grants may be awarded to support activities under any of the program components¹, provided that all specified eligibility criteria have been met.

MEGA Program expects that a participating municipality, being considered **the ultimate beneficiary and custodian** of the awarded grant-in-kind, will nominate and coordinate the application of the projects to be considered for in-kind-grant contributions.

2.2. Eligibility Criteria for Application for a MEGA Program grant-in-kind

Eligibility criteria define the eligibility of projects that can receive MEGA grants-in-kind support. Prior to awarding a grant-in-kind, The Urban Institute will ensure that the applications are in line with all applicable Serbian laws and regulations, as well as with USAID and The Urban Institute policies and procedures.

In order to be eligible for assistance from The Urban Institute, the project must further meet **ALL** of the following eligibility criteria. Failure to meet all of the following requirements will result in ineligibility for grant-in-kind support.

¹ MEGA Program has five main components: Component One: National-Level Policy Advocacy; Component Two: Municipal Capacity Building for Local Economic Development; Component Three: Private Sector Development (to be activated in year 2007); Component Four: Municipal Capacity Building and Component Five: Foreign and Domestic Investment Promotion.

a. Eligible Projects

- The project must be LED-related;
- The project must have well-defined objectives;
- The implemented project would be expected to produce tangible results in a reasonable period of time (i.e. first results visible maximum 3 months after the award, but no later than April 2008). As valid observable and measurable results, the MEGA Program will consider: the number of new jobs created, the number of new investments made; the number of new businesses launched and a number of new private-public partnerships established. The Municipality must very clearly and explicitly show this expected grant-in-kind impact on the local economic development;
- The project must be a priority for the community (e.g. the project is defined in the MoU signed between the MEGA Program and a Municipality, and/or is included in the Strategic Plan adopted/to be adopted by the Municipal Council, etc);
- The submitted project must comply with the law/regulations/policies of the Republic of Serbia, (including environmental protection law), the USAID and The Urban Institute; and
- A completed project proposal must be submitted in English.

Examples of eligible projects: development of a Business Improvement District; development of a Business Incubator; development of a business association; development of local job-training center; development or advancement of private-public partnership; promotion of economic development activities; promotion of business-associated activities leading to development of LED tools, databases, or other informational services; development of institutions that nurture LED; research and analysis on LED related issues; increase of the level of knowledge and understanding about MEGA goals and primary indicators, etc.

The aforementioned list of proposed projects is not exhaustive and other innovative projects not stated above will also be considered for support.

b. Eligible Services and Commodities to be acquired as grants-in-kind

The following are applicable:

- The support asked is in the form of in-kind grant contribution (services and/or commodities);
- The entire procurement procedure of the required items (services and/or commodities) must be done by The Urban Institute and according to USAID regulations and The Urban Institute policies.

Examples of eligible services and/or commodities: urban furniture; IT equipment and communication infrastructure; refurbishing materials and construction services; organization or procurement for LED related seminars, workshops, conferences, and other events; policy analysis; publishing and dissemination of analysis and recommendations; preparation of training materials and training provision; public information campaigns; surveys, assessments and resulting analysis; technical assistance services.

The aforementioned list of proposed services and/or commodities is not exhaustive and other items not stated above will also be considered.

c. Ineligible Activities

MEGA Program grants-in-kind may not be used to support activities, or procure goods or services that relate to:

- Sub-award or subcontracts administered by party other than The Urban Institute;
- Indirect costs;
- Human subject research (as defined by 22 CFR 225);
- Family planning activities;
- HIV/AIDS activities;
- Trafficking in persons activities;
- Activities that conflict with, or duplicate, the activities of other US supported programs, or programs conducted by other organizations in Serbia²;
- Activities that are inconsistent with international standards of human rights, or with democratic goals of racial and ethnic tolerance and harmony;
- The creation of endowments;
- Bad debts of the Municipality;
- Fines imposed on the Municipality;
- Penalties imposed on the Municipality;
- Parties or “representation” expenses;
- Any matter before a court in which the United States government or a private entity or citizen is or is likely to be involved as a party;
- Any matter before a court that involves or is likely to involve a matter of significance for the foreign policy or national security interests of the United States;
- Lobbying activities.

An advance written approval of the USAID Contracting Officer should be obtained if MEGA in-kind grants would be used to support any of the activities mentioned above. In that case, MEGA would submit a justification why that project should be considered for grant-in-kind support and how it furthers the specific objectives of MEGA.

2.3. Evaluation and Selection Criteria

The Urban Institute through the MEGA Program holds the prime responsibility for awarding grants-in-kind to MEGA Program participating municipalities. However, no grant-in-kind can be awarded before written approval of USAID Cognizant Technical Officer. Subsequently, if it deems appropriate, the USAID has the authority to supersede any decision made by The Urban Institute on awarding grant-in-kind to the partner municipality.

The criteria used to evaluate applications shall include first and foremost the contribution to the overall goals of MEGA. Cost contribution of the Municipality to the total project will also be a consideration.

It is a prerequisite that all of the Municipalities meet **ALL** eligibility criteria set out in Section 2.2. (parts a. and b. and that in-kind grants are not used to support any of the categories mentioned in the part c.). This does not mean that the grant will be automatically approved, but it will allow for the application to pass the administrative check and be considered for funding.

Note: While eligibility criteria based on “Yes” or “No” questions determine whether the project is in general pre-qualified to apply for grant-in-kind support based on pass/fail criteria; the evaluation and

² In the event an application reveals such duplication, the Municipality will be referred to another appropriate US program or other potential funding source.

selection criteria determine both the qualitative and quantitative impact of the project on the local economic development.

a. Key evaluation criteria

First and foremost, The Urban Institute will use the **four MEGA primary indicators** to evaluate application. The following are applicable:

- (1) Number of new jobs created as a result of the funded project;
- (2) Number of new businesses established;
- (3) Number of new direct public and private investment attracted; and/or
- (4) Establishment of private-public partnerships.

The project will be evaluated using one of (or all, if applicable) indicators (e.g. 30 new jobs created or 27 new business opened); naturally, preference will be given to the projects that anticipate to produce cumulative effect (e.g. a private-public partnership established, three new business started and as a result 25 new jobs created).

These expected results will be evaluated based on the project *Outcome Sequence Chart* (see later) submitted by the Municipality in its request for in-kind grant support; and compared against reasonable judgment of the *Technical Evaluation Committee* (see later).

b. Other evaluation criteria

In addition to showing that awarding this grant-in-kind would represent an appropriate use of the MEGA grant funds to support or stimulate local economic development activity, the Municipality may demonstrate additional benefits of the project if it:

- Can be replicated in other municipalities and the Municipality has a plan for disseminating the results of its proposed project;
- Helps to develop an agency, organization, or association that is institutionally sustainable and will contribute to local economic development on a long-term basis;
- Promotes cross-border cooperation, regional cooperation or inter-municipal cooperation; and/or
- Provides innovative solutions to economic development.

Additionally, the municipality's contributions of funding activities complementary to the project shall be taken into account favorably.

c. Standard Grant Provisions Criteria – Gender, Disability Policy, Environmental Considerations, Anti-corruption

Apart from the evaluation criteria described above, there is a set of cross-cutting issues that need to be addressed in each application, in order to be considered for funding:

• Gender Consideration

In accordance with USAID's recognition that gender issues are important considerations in development, The Urban Institute will look for gender implications or opportunities in all of the grant applications. The Municipalities will make their best effort to evaluate gender considerations and opportunities for participation in the proposed project, as well as to define gender-based barriers to

achieving the proposed activities and objectives. If such barriers are outlined, the Municipalities will propose the approach to eliminate them in the proposal. The Municipality will be required to propose ways to report on gender-disaggregated data as and when appropriate.

- **USAID Disability Policy**

USAID requires that the Municipalities not discriminate against people with disabilities in the implementation of USAID programs and that it make every effort to comply with the objectives of the USAID Disability Policy³ in their applications. To that end and within the scope of MEGA, the actions taken by the Municipality must demonstrate a comprehensive and consistent approach for including men, women and children with disabilities.

- **Environmental protection consideration**

Recognizing environmental protection as an important issue in community sustainable development, The Urban Institute will look for an initial environmental implications assessment in all of the in-kind grant applications. In order to ensure appropriate environmental safeguards, and based on the initial data collected, the Urban Institute will conduct all other necessary steps to ensure that the environmental consequences of MEGA-financed activities are identified and considered in respect to the USAID and the host country environmental codes. If applicable (for the projects that might have effects on natural or physical environment), MEGA Environmental Compliance Advisor will carry out an Environmental Review Assessment or, in case of activities that have no effect, simply state that the project falls under the Categorical Exclusion. Environmental Compliance Advisor conclusions will be submitted to the MEGA CTO along with a Justification Memo. Hence, the Municipalities are strongly encouraged to make their best effort to propose environmentally sound projects for in-kind-grant support. If any significant adverse effects are detected, the application will be rejected, even in the case that all other conditions are met. The Municipality will be required to propose ways to mitigate and monitor the effects of the all environment related impacts on the long term basis, including the construction, operation and post operation of grant project period.

- **Anti-corruption policy**

USAID and its implementing partners strongly encourage promotion and enforcement of anti-corruption policies and procedures in all activities in which they are directly/indirectly involved. The Urban Institute will abide by the applicable regulations and will request from the partner municipalities to follow a defined and transparent public procurement process. The Urban Institute will employ all its efforts and knowledge to investigate thoroughly that all stages of the grant-in-kind awarding procedure are conducted in accordance with pertinent legislative and regulative provisions. The Urban Institute will have zero tolerance for any project where the corruptive methods have been deployed. Detection of corruptive methods used or intended to be used by MEGA grant-in-kind recipients may constitute grounds for suspension or termination of awarding grant-in-kind. All MEGA grants-in-kind procedures and decisions will be made accessible to the general public through the MEGA website.

³ The full text of the policy paper can be found at the following website:
<http://www.usaid.gov/about/disability/DISABPOL.FIN.html>

SECTION THREE

GRANTS-IN-KIND AWARDING PROCEDURES

General Strategy

When awarding the grants, The Urban Institute will abide by the following grants-in-kind operating regulatory framework:

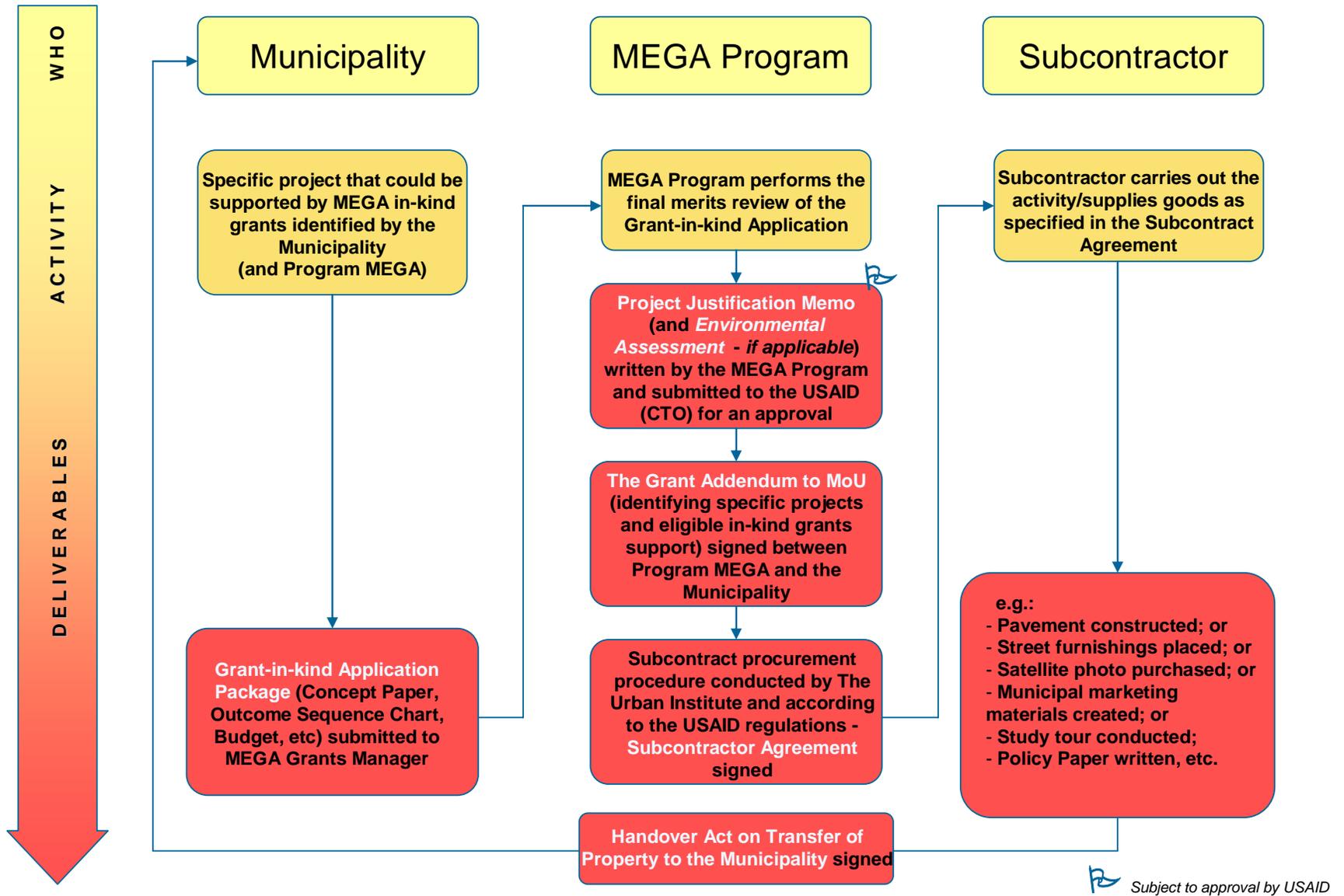
- USAID regulations and procedures
- Prime Contract No. EPP-I-00-04-00036-00 (Basic IQC) and Task Order No. 2 signed by USAID and The Urban Institute, and the Agreement between The Urban Institute and the Agency for International Development Concerning Grants under Contract
- The Urban Institute policies and procedures
- Grants-in-kind to MEGA Program Participating Municipalities Policy and Procedures Manual
- MoU signed with each of the MEGA Program Participating Municipalities
- Addenda to the MoUs to be signed with each MEGA Program Participating Municipality

All of the MEGA Program Participating Municipalities have undergone a competitive process to enter the program and the selection of the partner municipalities was based on this process. One of the primary indicators for entering the program was the amount of funds earmarked in the municipal budget for LED activities designed and conducted in partnership with MEGA. MEGA funds will be used as seed money to support LED related activities in the Municipality and they will constitute a significant minority of the overall needed funds.

Accordingly, the projects deriving from the municipal LED strategic plans, if earmarked, planned or defined through municipal budgets, do not have to undergo the procedure of public competition for the MEGA grant-in-kind support. However, all of the projects qualifying for the MEGA in-kind-grants program have to be submitted in the form of a grant-in-kind application (see below), and to address all the requirements set out under Sections 2.2. Eligibility Criteria and 2.3. Evaluation and Selection Criteria (see before).

The Urban Institute sets down several necessary stages (and subsequent steps) that constitute grants-in-kind awarding and administering procedures. For an overview of the grants-in-kind awarding procedure to MEGA Program Participating Municipalities please see the flowchart at the next page.

Grants-in-kind awarding procedure



3.1 Stage one: Identification of the potential eligible projects in MEGA Program Participating Municipalities to be supported through grant-in-kind

MEGA Program Technical staff and MEGA Program Partner Municipality will collaboratively work on identifying the projects that could qualify for MEGA grants-in-kind assistance, focusing on projects already identified in the **Municipal Strategic Plan** (adopted or created and soon to be adopted) and making sure that the proposed project meets all of the eligibility criteria (see Section 2.2). At this initial phase, an important point of reference should also be the **Memorandum of Understanding** signed with a partner municipality indicating the amount in the municipal budget allocated by the Municipality for funding projects identified jointly by the Municipality and the MEGA Program. The MEGA Program may consider supporting these joint projects through in-kind-grants to the maximum level of one third (1/3) of amount allocated by the Municipality.

3.2 Stage two: Submitting Application for the Grant-in-kind support

Each MEGA partner Municipality must submit a **Grant-in-kind Application Package** to the MEGA Grants Manager either by e-mail at grants@ui-serbia.org or by post to:

The Urban Institute
MEGA Program
Attention to: Grants Manager/Procurement Specialist
Osmana Djikica 3
11000 Belgrade

The **Grant-in-kind Application Package** should contain all of the following:

1. **Outcome Sequence Chart** (see template at the end)
2. **Concept Paper** should explain how the project design leads to the outcomes indicated in the outcome sequence chart and generally should not exceed five pages. The Concept Paper should explain how budget funds from the municipality will be used to support activities complementary to this project. The Municipality should propose a time line for both this project and the complementary activities funded by the municipal budget. Likewise, the Municipality should propose a plan for monitoring how this project and the municipally-funded complementary activities contribute to outcomes indicated in the Outcome Sequence Chart.
3. **Supporting Information Form** (see template at the end)
4. **Detailed Budget and Budgetary notes** (Business/Cost Section with detailed description of items – commodities or services to be procured; items cost estimates; details of available cost share/other donor support/program income).
5. Any other documents or proofs that might be relevant for awarding the grant-in-kind.

Applications must be submitted in English, although it is desirable to submit a Serbian translation along with the English original.

MEGA Program Staff may advise the Municipality on how to improve its application before the formal submittal.

3.3. Stage three: Evaluation and Selection Process

The Technical Evaluation Committee (TEC) shall meet on a monthly basis to examine all proposals received during that month. The TEC will be comprised of at least three members from MEGA Program staff, including the MEGA Chief of Party and Deputy Chief of Party. The TEC will select applications to be funded by consensus if possible, or by majority vote if necessary. The TEC may make recommendations for changes to the project scope or budget, which will then be negotiated with the given Municipality. The TEC will compile all its recommendations of the project to be supported through in-kind grants in the *Justification Memo*, indicating how this project would help in achieving MEGA objectives. If applicable, the *Environmental Assessment of the Project* (conducted by the MEGA Environmental Compliance Advisor) will also be created at this stage and submitted along with *Justification Memo* to the USAID CTO for consideration and approval.

The TEC will precisely define new responsibilities of the two parties (MEGA and the Municipality) to be included in an Addendum to the existing MOU between the parties. Upon receiving an approval from the USAID, the Grants Manager will send a draft Addendum to the MOU to the MEGA partner municipality that details the responsibility of each party for implementing the project. The Addendum shall include information on the project costs – both those to be funded through MEGA and those to be funded through other sources, a timeline for implementation, and the Municipality’s proposed plan for monitoring project outcomes. The Urban Institute will post the official selection decision on its website.

3.4. Stage four: Procurement of goods and services for the approved Grant-in-kind

The beneficiary of the grant-in-kind, i.e., the MEGA Program Participating Municipality, will not receive a direct cash transfer, but will rather be provided with requested and allowable goods or services. The procurement of these goods or services shall be made on a competitive basis. The Urban Institute retains financial responsibility for implementation and procurement of the goods or services and is responsible for ensuring that the entire procurement is done according to USAID regulations and The Urban Institute policies.

The MEGA Procurement Specialist will work with the Municipality to prepare a bid package, ensure that the procurement is advertised, and notify potential bidders. A joint panel of MEGA Program staff and municipal representatives will recommend a winner from the bids submitted. Once the procurement process has been reviewed by the UI Contracts Office, the Urban Institute will sign a subcontract or purchase order with the provider of goods or services. The Urban Institute reserves the right not to award the grant-in-kind if it finds that the sound procurement procedure was compromised.

3.5. Stage five: Monitoring Project Implementation and Results

According to the Municipality’s proposed monitoring plan (to be included in an addendum to the MOU it signed with MEGA), the Municipality shall monitor how the project is implemented and how it contributes to the expected outcomes specified in the Outcome Sequence Chart. MEGA Program staff may make recommendations on how the Municipality can develop systems to track project outcomes such as new businesses, new jobs, or new investment. Where equipment, software and/or machinery are involved, the Urban Institute will ensure proper installation and training of the end users, as well as

monitor how the commodities are being used. MEGA Program staff shall make unannounced visits to ensure that implementation is proceeding as described in the Municipality's monitoring report.

3.6. Stage six: Handover Act

The Municipality shall accept the goods or services through an official transfer of property and title from MEGA Program to the Municipality by signing the **MoU (“Handover Act”) on Transferring Property to the Municipality**. Title to all property financed under this award shall vest in the Municipality as the ultimate beneficiary of the grant-in-kind. Approval of the title transfer shall be requested by The Urban Institute from and granted by the USAID CTO in advance.

The Municipality, as the grant custodian, must agree to use and maintain the property for the purpose of the award and in accordance with the procedures agreed upon with the MEGA Program.

SECTION FOUR**LIST OF FORMS USED IN THE GRANT-IN-KIND AWARDING PROCESS**

1. Supporting Information Form
2. Outcome Sequence Chart Example
3. Checklist

Supporting Information Form

Note: Fields marked with * will be filled out by MEGA Grants Manager

* Application No.

I Cover Page / Introduction

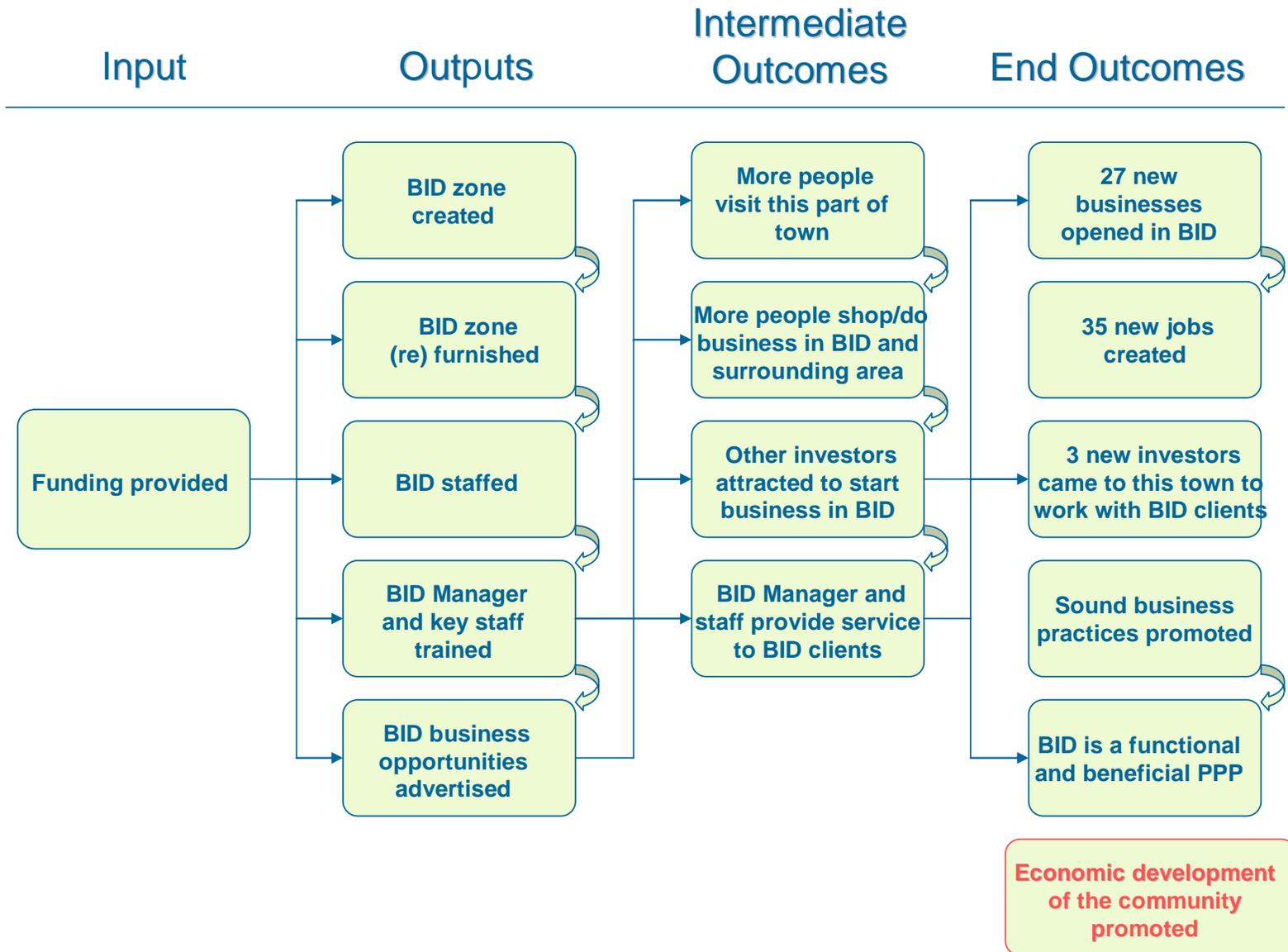
1. Name of the grant-in-kind recipient:		
2.a. Address of the recipient	Street: City/Town: Telephone/ Fax: E-mail address:	
2.b. Contact person details	Name: Position: Contact tel/fax: E-mail:	
3. Type of the organization to which grant-in-kind would be donated (pls. check appropriate boxes)	<input type="checkbox"/> Non-governmental organization <input type="checkbox"/> Business Company (do you mean for-profit?) <input type="checkbox"/> Local government <input type="checkbox"/> Business association <input type="checkbox"/> Think-tank /Research organization	<input type="checkbox"/> Private-public partnership <input type="checkbox"/> Local economic development organization <input type="checkbox"/> Other (pls. specify below)
4. Area of expertise/work		
5. Names of other organizations to whom you have submitted the application to support the proposed project		
6.a. Signature of authorized representative of the Municipality, (authorized to contractually obligate the Municipality):	6.b. Date (Month/Day/Year)	
_____	____/____/____	

II Technical Information (part 1)

<p>1. Concise <i>title</i> and <i>objectives</i> of proposed project</p>	
<p>2. Overview of the <i>method</i> of approach (describe the project activities so far and what activities need to be taken further)</p>	
<p>3. The level of effort to be employed (the number of workdays)</p>	
<p>4. The anticipated results</p>	

* 5. How this work will help accomplish MEGA Strategic Objective.

Grants-in-kind Outcome Sequence Chart Example (e.g. for a BID)



Checklist

(for the MEGA Program internal use only)

Page 1/2

Name of the Project	
Project No.	
Date applied	(month/day/year)
1. Documents submitted (<u>ALL</u> boxes should be checked)	<input type="checkbox"/> Concept Paper and Supporting Information Form <input type="checkbox"/> Outcome Sequence Chart <input type="checkbox"/> Detailed Budget and Budgetary Notes (Business/Cost section with detailed description of items – commodities or services to be funded; items cost estimates; details of available cost share/other donor support/program income). <input type="checkbox"/> Any other documents or proofs that might be relevant for awarding the grant-in-kind. Pls. specify which:
2.a. Eligibility of the Project (<u>ALL</u> boxes should be checked)	<input type="checkbox"/> The project is LED related; <input type="checkbox"/> The project has well-defined objectives; <input type="checkbox"/> The implemented project is expected to produce tangible results in a reasonable period of time (i.e. results visible maximum 3 months after the award, but no later than April 2008). As valid observable and measurable results, MEGA Program considers: the number of new jobs created, the number of new investments made; the number of new businesses launched and a number of new private-public partnerships established. The Municipality in its application has shown very clearly and explicitly this expected impact of the grant-in-kind; <input type="checkbox"/> The project is a priority for the community, as defined in the MoU signed between the MEGA Program and a municipality, and/or is included in the Strategic Plan adopted/to be adopted by the Council; <input type="checkbox"/> The submitted project complies with the law/regulations/policies of the Republic of Serbia, USAID (including environmental protection law) and The Urban Institute; <input type="checkbox"/> A completed project proposal was submitted in English. Pls. specify any other relevant information (if applicable):

<p>2.b. Eligibility of Services and Commodities to be acquired as grants-in-kind (<u>ALL</u> boxes should be checked)</p>	<p><input type="checkbox"/> The support asked is in the form of in-kind grant (services and/or commodities);</p> <p><input type="checkbox"/> The entire procurement procedure of the required items (services and/or commodities) can be done by The Urban Institute and according to USAID regulations and The Urban Institute policies.</p>
<p>2.c. Ineligible activities</p> <p>Proved that MEGA grant-in-kind will not be used to support activities, or procure goods or services that relate to:</p> <p>(<u>ALL</u> boxes should be checked; This section can be filled out as the information is being collected, but before the submittal of application to the CTO for an approval)</p>	<p><input type="checkbox"/> Sub-award or subcontracts administered by party other than The Urban Institute;</p> <p><input type="checkbox"/> Indirect costs;</p> <p><input type="checkbox"/> Human subject research (as defined by 22 CFR 225);</p> <p><input type="checkbox"/> Family planning activities;</p> <p><input type="checkbox"/> HIV/AIDS activities;</p> <p><input type="checkbox"/> Trafficking in persons activities;</p> <p><input type="checkbox"/> Activities that conflict with, or duplicate, the activities of other US supported programs, or programs conducted by other organizations in Serbia;</p> <p><input type="checkbox"/> Activities that are inconsistent with international standards of human rights, or with democratic goals of racial and ethnic tolerance and harmony;</p> <p><input type="checkbox"/> The creation of endowments</p> <p><input type="checkbox"/> Bad debts of the Municipality</p> <p><input type="checkbox"/> Fines imposed on the Municipality</p> <p><input type="checkbox"/> Penalties imposed on the Municipality</p> <p><input type="checkbox"/> Parties or “representation” expenses</p> <p><input type="checkbox"/> Any matter before a court in which the United States government or a private entity or citizen is or is likely to be involved as a party</p> <p><input type="checkbox"/> Any matter before a court that involves or is likely to involve a matter of significance for the foreign policy or national security interests of the United States</p> <p><input type="checkbox"/> Lobbying activities</p>
<p><i>If any written approvals by CTO/CO have been obtained in advance to waive these criteria, please state them here:</i></p>	