



AFRICAN DEVELOPMENT FOUNDATION

“To overcome poverty in Africa by investing in Africans and their ideas. ”

www.usadf.gov

APPLICATION FOR FINANCIAL/TECHNICAL ASSISTANCE

Overview:

Thank you for your interest in the African Development Foundation (USADF). USADF was created by the United States Congress with a unique mission to provide funds that promote community-based, self-help economic and development activities in Africa. USADF support focuses on community groups and small businesses that actively involve and benefit the poor and other underserved populations. USADF currently operates in the following African countries such as: Benin, Botswana, Burundi, Cape Verde, Democratic Republic of Congo, Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Rwanda, Senegal, Swaziland, Tanzania, Uganda and Zambia.

USADF provides funding for the following types of groups:

- 1. AGRICULTURAL COOPERATIVES and SMALL-SCALE PRODUCER GROUPS :** An organization formed by a group of small-scale farmers, artisans, or producers to achieve some or all of the advantages of large-scale marketing and production. (Please use Application 'A')
- 2. COMMUNITY-BASED ORGANIZATIONS (CBOs):** An organization made up of a group of people who come together to accomplish a common goal or a set of goals tailored to meet the development needs of their community. (Please use Application 'A')
- 3. AFRICAN INTERMEDIARY ORGANIZATIONS (AIOs):** An organization that works directly with very low-income people and marginalized groups. (Please use Application 'A')
- 4. SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs):** A registered enterprise that employs up to 100 workers, has annual sales revenues up to \$1 million, and has a business plan that impacts communities either directly within their enterprise or indirectly through supply-chain linkages. (Please use Application 'B')

The majority of USADF's funding agreements range between \$50,000 and \$250,000. USADF does not provide funding to government agencies, political parties, or organizations that are not based in Africa. Please note, USADF does not provide funding or scholarships to individuals.

USADF PROJECT FUNDING APPLICATION

USADF Funding Selection Criteria:

Project applications are evaluated on the basis of potential benefits to the community, potential for job creation, workers income improvements, long term profitability, and managerial strengths and capabilities. Application must meet these criteria:

Organization Requirements:

1. The enterprise must be 100% African owned and managed.
2. The enterprise must be a legally recognized African entity (or in the process of becoming legally registered. Registration must be completed before any funding may be provided).
3. The enterprise must demonstrate that it has successful operations and has the potential to productively utilize development funds.
4. The ownership and management must be in agreement on the problem to be addressed and have a commitment to benefit their community.
5. The enterprise must have a functional management team and organizational controls to account for and use USADF funds effectively.

Benefit Requirements:

1. The proposed project should represent both the applicant's and targeted beneficiaries identified needs.
2. The outcome of the project must provide real (measurable) benefits to the community. Benefits include job creation, increased incomes levels, improved market access, and quality of life improvements.

Other Considerations:

1. The project must be consistent with USADF's host country strategies.
2. The goals of the project can be implemented realistically with USADF funds.
3. There is sufficient management, technical and financial resources available for project success.
4. The enterprise can demonstrate long-term viability after USADF funding ends.
5. The organization meets all licensing/regulatory and environmental requirements.
6. The project has potential for broader replication.
7. The level of other funding sources (local, foreign, donors) committed to or available to the organization.

USADF PROJECT FUNDING APPLICATION

The Application Review Process

There are three steps in USADF's funding process:

- I. An Initial Application:** This application requests information about your organization and the proposed project. Based on that information, a USADF Representative will make an initial determination about whether the project application meets USADF's basic selection criteria. (The application form is available from the USADF Representative in your country or on the USADF web site www.usadf.gov/funding.html).

- II. Site Visit:** If your project application meets initial USADF criteria, a USADF Representative will visit your site to obtain more information about your organization and the proposed project. At that time, you will be requested to provide current documentation of your organization's legal status; by-laws, statutes, or constitution of your organization; end of year audit reports or other financial statements for the past two years; and if applicable proof of land ownership or use.

- III. Development of a Project Paper:** A formal review of your application and USADF staff site visit report will determine if your project can be recommended for project design support from USADF. If recommended for design support, USADF and its partner organization in each country will assist you in the development of a Project Paper that presents all of the information that will be needed for USADF to make a final decision regarding USADF funding for your project. The Project Paper will include a detailed description of your proposed project including: additional information about the project goals and objectives; a detailed benefits assessment; a detailed project budget; a technical summary; a management and financial analysis to support the viability of the project; safety and environmental review, social impact analysis, and a description of the technical assistance and training support that your organization will need to implement the project.

NOTE: The three-step process described above can take up to 6 to 9 months for USADF to reach a final decision on your request. *Note: the completion of each step in the funding process does not guarantee that USADF will fund your project.*

USADF PROJECT FUNDING APPLICATION

(Note: the USADF Representative shall update this information after the site visit).

Country:				Name of Project:			
Estimate of Funding Request:		Local Currency:		Estimated		Investment Type:	
		U.S. \$ equivalent:					
Length of Project (months)		Estimated		Exchange Rate:			
Legal Name of Applicant:							
Other Names Applicant is known by or does business as:							
Legal Status of Applicant:							
Date of Registration:							
Date of Business Commencement:							
For Enterprise: # of Full Time Employees		Male		Female		Total	
For Enterprise: # of Part Time Employees							
For Enterprise: # of Farmers or Enterprises Supplying Raw Materials		Male		Female		Total	
Applicant Contact Points:							
Name of Primary Contact:							
Position:							
Telephone:							
Fax or E-Mail:							
Location of the Organization/Business:							
Physical Address:							
Mailing Address:							
City or town [if urban]:							
Village [if rural]:							
Nearest Town [if rural]:							
Event:	App. Rcvd.	IRR	IRC	Final Pkg		Grant Date	
Date		NA	NA	NA	NA	NA	
SIGN-OFF							
Name		Organization		Title		Date	
<i>Country Coordinator</i>							
<i>Regional Program Coordinator</i>		NA					
<i>I understand that a material misstatement or the omission of material facts may stop the United States African Development Foundation from providing funding, may require the termination of any funding that is awarded, and may give cause for legal action by the Foundation. I confirm that I have necessary authority to act for and on behalf of the company in making the foregoing statements and that they are correct, to the best of my knowledge and belief, and that no statements of fact are omitted from this questionnaire which are necessary in order to make the statements herein not misleading.</i>							
<i>Applicant</i>							

USADF PROJECT FUNDING APPLICATION

NOTE TO APPLICANT: The funding application should be comprised of three sections and it should address all of the questions listed below, plus any other information that would be useful to USADF in considering your application:

- A. Basic information about your organization
- B. Your current financial situation
- C. The Project Proposal and Budget

Please follow this structure in developing your funding proposal. The narrative to answer the questions below should be **5-8 pages, plus an additional page for the proposed budget.**

A. BASIC INFORMATION ABOUT YOUR ENTERPRISE

- 1) Who established the enterprise? When was it legally registered (or when will it be)?
- 2) What is the purpose of the enterprise?
- 3) Where do you see the enterprise headed in the next five years?
- 4) What primary service(s) or product(s) does the enterprise provide?
- 5) How and where does the enterprise sell products and / or services?
- 6) How many workers are employed? How do your workers salaries compare to the minimum wage levels, and what kinds of benefits are extended to your employees?
- 7) How does the enterprise help low-income farmers, artisans, or other small enterprises that supply it with raw materials? What does your enterprise do to help low-income people or other disadvantaged groups within the community?
- 8) Ownership: Provide a listing of the enterprise owners (names, citizenship, percent owned).
- 9) Governance: Does the enterprise have a Board of Directors? How are they selected and how long do they serve? How often do they meet? List the names of the Directors, their title, citizenship, and their background. If there is not a Board, who makes the decisions for the enterprise?
- 10) Operations: How are day to day operations managed? List the key management roles (name, titles, qualifications and experience). Also, list the senior staff currently employed and their qualifications. Indicate whether they are full-time or part-time.
- 11) Past Achievements: Explain how successful the operations have been over the past three years. Describe the tangible benefits that your workers and the local community have received from your operational success?

B. YOUR CURRENT FINANCIAL SITUATION

- 1) List the value and type of major assets owned by the organization (such as money in the bank, credit owed by buyers, accounts receivables, physical property, etc.).
- 2) List any loans (amounts, term, provider), and other liabilities attached to the organization?

USADF PROJECT FUNDING APPLICATION

- 3) Please list all sources, amounts, and dates of any donor, government or other outside funding received. Have you requested any other funding (grants or loans) support from other donors, NGOs, government, private companies, or banks that are still being considered? If yes, please list details (Name of donor, amount, date of decision).
- 4) Does the enterprise have financial statements for the past two years of operations? Are these audited?
- 5) Does the organization have an accountant or bookkeeper? What are their qualifications?

C. YOUR PROPOSAL FOR FUNDING

- 1) What problems or opportunities does the enterprise face? Why is the project needed?
- 2) What are the goals for the proposed project? What are the expected achievements from such funding? How long will it take to achieve these goals?
- 3) Describe how the enterprise identified the need for this project. Describe who participated in putting together and approving this proposal. How does the community support this project?
- 4) Who will benefit and how from the proposed project? What would be the economic and social impacts on: (a) the business itself, (b) its employees, (c) shareholders, and (d) the surrounding community?
- 5) Briefly describe how to measure the project's success?
- 6) Describe funding allocations, and estimate the amount needed for each. (Attach a proposed budget).
- 7) What will the enterprise contribute to the project (e.g. money, land, labor, existing infrastructure, etc)?
- 8) Will any other groups be involved in providing support (financial or technical) for this project? If so, list the organization and the nature of the support.
- 9) What technical or management help is needed to successfully implement the proposed project?
- 10) Are you willing to repay the amount of USADF funding to a reinvestment trust?

In addition to the narrative funding proposal that must address all of the above questions, you must ATTACH THE FOLLOWING ITEMS to your application.

- 1) Proposed Budget (list each major item, cost, and when needed)
- 2) Copy of your legal registration document.
- 3) Copies of at least the past two years' financial statements (audited statements and management letter, if available).
- 4) Three references that can verify the financial integrity, reliability and usefulness of your enterprise.