

USAID Effective Water, Sanitation, and Hygiene Services (E-WASH) Program

Request for Expressions of Interest (REOI) (Multiple Rounds) USAID E-WASH Innovation Grant Fund: STATE WATER UTILITY COMMERCIAL OPERATIONS

USAID E-WASH is seeking to issue grant(s) to local non-US organizations including 1) large youth-led and women-led organizations, 2) business development service providers and non-governmental organizations, and 3) tertiary institutions for the purpose of implementing scalable innovative solutions to strengthen urban WASH governance and operations. USAID E-WASH has a strong interest in leveraging the expertise of new and underutilized partners.

Background on USAID E-WASH Program

As part of the United States Government's (USG) efforts to address gaps in urban water, sanitation, and hygiene (WASH) services in Nigeria, USAID/Nigeria aims to improve urban water service delivery by strengthening the governance, financial and technical viability of **five (5)** State Water Boards (SWBs) in Abia, Delta, Imo, Niger, and Taraba States. USAID E-WASH will work towards achieving the following mutually reinforcing objectives:

- I. Creating professionally managed and commercially oriented SWBs;
- II. Improving the financial and operational viability of SWBs;
- III. Strengthening policy, institutional and regulatory frameworks for improved WASH services; and
- IV. Building national and state WASH advocacy, coordination, and communications for reform.

These efforts align with the USAID Water and Development Strategy 2013/2018 Strategic Objective I: Improve health outcomes through the provision of sustainable WASH. They also align with the USAID/Nigeria Country Development Cooperation Strategy (CDCS) Development Objective 3, Strengthened good governance; Intermediate Result (IR) 3.2, Improved responsiveness of selected government institutions; and IR 3.3, Increased capacity for civic advocacy, monitoring and engagement; and Component 4: Build Coordination, Advocacy, and Strategic Communications to Promote Reform

The USAID E-WASH Program is part of USAID's wider efforts to build closer coordination with the Government of Nigeria (GON), including the Federal Ministry of Water Resources (FMWR), select SWBs of Abia, Delta, Imo, Niger, and Taraba allied stakeholders to advance broad-based economic growth and resilience through improved WASH services in urban areas.

USAID E-WASH Theory of Change:

Increased access to sustainable WASH services will only be achieved in urban areas within Nigeria when SWBs undergo a reorganization process to develop professional and commercially oriented practices that enable them to operate efficiently as commercial entities. They must have autonomous, accountable, and transparent management and strengthened corporate governance with clear

priorities for effective and inclusive service provision. Well-functioning SWBs must have performance-based contracts, good monitoring capabilities, trained personnel, cost recovery, a proper tariff structure, and asset maintenance management systems. Creating good corporate governance in SWBs is essential to increase access to sustainable water services.

USAID E-WASH targets urban WASH challenges, especially at the water board or utility level, building from five key assumptions:

- The state governments that own the water boards will be committed to reform efforts.
- Governance improvements in the water boards will be strengthened by state governments' motivation and willingness to entrench corporate structure in the water boards.
- The state governments are committed to adjust tariffs in terms of both cost recovery and affordability.
- Broad-based stakeholder engagement, effective civil society engagement, and accountability mechanisms are necessary to monitor and advocate for reform.
- USAID can continue to work effectively with other development partners, particularly the World Bank and African Development Bank, to achieve meaningful scale and impact; and
- USAID's efforts will catalyze governance improvements within the SWBs.

USAID E-WASH Innovation Grant Fund: State Water Utility Operations

The USAID-EWASH Program is set to create professionally managed and commercially oriented SWBs and improve the financial and operational viability of State Water Boards of the urban utilities of the participating states. Innovative solutions are therefore required in water operations. Water operations here is understood as the application of excellent technology and knowhow to distribute water to customers, account for water use, reduce non-revenue water, effectively invoice water users using justifiable tariffs and undertake customer relations management satisfactorily. Another consideration is the ability of the utility to manage its finances and personnel effectively through innovative accountability mechanisms.

The aforementioned processes where they exist are currently completely rudimentary and ineffective. Considering that the State Water Boards are presently transitioning from government agencies operated using civil service rules into full corporations, there is the need to develop innovative mechanisms and processes that will seamlessly mitigate the attendant culture-shock as they move from government agencies to corporations albeit owned by government. These reforms will only succeed when they are well understood and supported by stakeholders. The key stakeholders in these regards are the personnel of the corporation, the policy makers and the customers. This grant will specifically focus on the ability of the grantees to innovatively improve the standard operating procedures of the utilities in the various operational units, reduce the unacceptable waste of finished products arising from poor inventory and finally add value to the utility service delivery. For any innovative intervention, sustainability is key; as such, it is not just the introduction of the innovative idea, but how the utility will continue the use of this once the period of the grant is complete.

Award(s) will contribute to one or more of the results below:

Result 1: Identify a new or innovative approach to optimize utility commercial operations of the targeted utility.

Result 2: Identify a new or innovative approach to improve financial viability of the targeted utility. (*attribute of Effective Utility Management for Organization Capacity Assessment Tool strength index*).

Result 3: Identify a new or innovative approach to improve the targeted utilities' customer satisfaction.

Minimum Eligibility Criteria.

Applicants must meet the following minimum eligibility requirements to qualify for funding under this REOI.

- Be legally registered as a non us non-governmental organization or for-profit private entity and having capacity to operate in Nigeria.
- Have a physical office in Nigeria.
- Have demonstrative success in the proposed area of intervention and other WASH related solutions
- Preferred to have been active for at least 3 years' operating within their sector and respective state.
- Have three (3) or more full time or part time staff.
- Any proposed partnerships with other companies or organizations must be explicitly stated.
- Be directly responsible for the preparation and management of the project, not acting as an intermediary/consultant.
- Be willing to comply with all technical and financial requirements for participation in the program, including reporting and documentation of project activities, communication strategy and capacity development opportunities.
- Be eligible to receive funded awards from the United States government.

Organizations that do not meet the criteria above will not be considered.

Application Process

The application process for the E-WASH Innovation Grant will take place in two steps as described below

1) Stage One – Concept Note:

Applicants will submit a Concept Note using the template provided below, following the instructions contained in this document. RTI will acknowledge the submission of Concept Papers within three (3) business days. RTI will review Concept Papers against the merit review criteria detailed below. RTI will provide individual results to each applicant within 15 working days following the meeting of the Technical Evaluation Committee. Applicants who do not meet the objectives, minimum eligibility requirements or receives inadequate rating will be rejected.

2) Stage Two – Full Application:

Successful applicants from Stage One will be invited to a Co-creation and ideation workshop, which will be facilitated by relevant technical advisors. The ideation workshop will provide

successful concept note applicants with support to address weaknesses identified in their concept note and align concepts to EWASH's objectives. A technical advisor will support the applicant in expansion of the concept note to a program description and grant application. Applicants will submit a grant application in response to a Request for Application (RFA). Grant Applications will be evaluated based on the technical factors detailed in the RFA

This funding opportunity will be open until November 16th, 2020 and concept notes will be accepted through the entire funding opportunity time. Concept notes will be reviewed by Technical Evaluation Committee on a monthly basis in accordance with the stated factors below.

Interested organizations should kindly send their indication of interest by email to grants@ewash.rti.org with the email subject "E-WASH Innovation Grant Fund: UOA" on or before 16th November, 2020.

Stage One-Concept Note Technical Evaluation Criteria

Concept papers will be reviewed by a Technical Evaluation Committee according to the criteria described below. The purpose of this review is to ensure that prospective partners bring appropriate capabilities, experiences and potential contributions to the co-creation process (if held) and ultimately the implementation of activities. A concept paper is determined to be successful if it receives a PASS overall based on the criteria below, which are listed in descending order of importance.

[Note: The criteria below are for the concept paper only. Additional criteria will be circulated as a part of a full Request for Applications for Stage Two Applicants.

Technical Element	Definition
Advancing EWASH Objectives	The extent to which the Concept Paper explains how the technical approach will improve WASH service delivery through improved water utility operation using commercialization principles and practices that will ensure the financial and operational viability of State Water Boards of the Urban utilities of the participating states
Technical Approach	The degree to which the proposed approach presents a cohesive plan that is technically sound, innovative, feasible, and cost effective, in addressing Effective utility operations procedures, mitigating the physical and commercial waste, add value to the utility service delivery and enhance accountability. And also to the extent to which the proposed plan for measuring results is feasible and relevant to monitoring project impact
Sustainability	The extent to which the Concept Paper's proposed approach is sustainable and increases the likelihood that the affected State Water Boards

	and the Nigerian government will be able to continue the program's activities and/or maintain its achievements.
Institutional Capacity	The degree to which the applicant demonstrates expertise and experience in implementing water resources management or WASH projects, consistent with the Round program statement and results. The concept paper demonstrates an appropriate management structure, organizational capabilities, expertise, and experience in project implementation in rural Nigeria.

RTI will assess its level of confidence that the applicant will successfully perform based on the technical evaluation criteria listed above. In doing so, RTI will utilize the following confidence approach to select successful applicants from Stage One:

	RTI has high Confidence that the applicant understands the requirement, proposes a sound approach, and will be successful in performing with little or no intervention.
	RTI has some Confidence that the applicant understands the requirement, proposes a sound approach, and will be successful in performing with some intervention.
	RTI has low Confidence that the applicant understands the requirement, proposes a sound approach, or will be successful in performing even with intervention.

Name of applying organization	
Project name	
Date of submission	
Proposed grant value (NGN)	
Proposed project duration (in months)	
Contact name	
Contact position	
Senior sponsor name and position (if different to contact)	
Email address	
Telephone number	
Correspondence address	
DUNS number (if available)	
Overview: Please introduce your organisation, including background, vision, and mission. Please outline the geographies in which you operate, your target population and your current programmes and interventions.	

Context: If relevant, describe your organizations any existing programmes and / or interventions which focus on urban WASH, gender and social inclusion, mobile technology, or both.

Proposed project. Describe the project, objectives, and rationale, including how it fits into your overall mission. What is your 'offering'? (this can be a mobile-based product or service, or tariff marketing campaign, etc) How will it help you better reach and serve the urban poor in terms of WASH service delivery? What is innovative about the approach you are proposing?

Target population: Define the target population for this project, stating also which geographic focus it will take.

Definition of success: How do you define success for the proposed project? What do you anticipate is the concrete social value of this project, including the potential large-scale increase in access to water, sanitation, and hygiene services? Please share any quantitative targets you may already have, including those relating to the number of resource-poor women served.

Sustainability: How will you ensure that your offering is sustained beyond the Innovation Fund grant period?

Delivery and management: How do you plan to deliver the project, e.g. through a consultant or through existing staff? Who will be responsible for the implementation of the project and for the deployment of the grant funds? Who will be responsible for managing the partnerships?

Use of funds: How do you anticipate using this grant funding? Why is this grant necessary to move the project forward? How will you ensure that the impact of the Innovation Fund grant is additive, rather than duplicative, with regards to other funding your organisation receives?

Please complete the following section

1. Is your organization a for-profit entity? **__Yes __No**
2. Is your organization registered in Nigeria? **__Yes __No. If so, please attach a copy of registration.**
3. Has your organization been in operation for 3 years or more? **__Yes __No**
4. If awarded a grant, is your organization willing and able to share commercial project data (e.g. subscriber data, brand tracker, etc.) with USAID E-WASH on a confidential basis? **__Yes __No**