

Guatemala Entrepreneurship Development Initiative (GEDI) Fund Frequently Asked Questions

I. Eligibility

ANDE lists a few organization types that are eligible to apply, but I'm not familiar with them. What do they mean?

ANDE references organization types in the RFP from our membership categories. While you don't need to be a member to qualify, we use these categories across our work:

- **Capacity Development Providers:** Organizations that provide business development and advisory services to SGBs.
- **Investors:** Funds or financial entities that focus on providing capital to SGBs in developing countries. Investments include debt, equity, and quasi-equity and are generally under US\$2M. In addition, some "investor" members also provide capacity development services.
- **Research and Advisory Service Providers:** Organizations that provide consulting, research and advisory services as the main mission of the organization, as well as associations that provide a service to the sector as a whole.

ANDE also lists **Non-Governmental Organizations and Non-Grantmaking (Operating) Foundations** as options in the application. What do these mean?

- **Non-Governmental Organizations:** Organizations independent from government involvement that typically serve humanitarian or environmental goals. We encourage applicants to select this organization type if your organization is a non-profit, non-governmental entity that does not fit the description for Capacity Development Provider, Investor, or Research and Advisory Service Provider listed above.
- **Non-grantmaking (Operating) Foundations:** Non-governmental organizations (as described above) which are named "foundation" but do not make charitable grants.

Does my organization have to be an ANDE member to apply?

No, the Guatemala Entrepreneurship Development Initiative Fund is open to ANDE member organizations and non-member organizations.

Is there a geographic focus for this fund?



Projects that have a focus on the following regions within Guatemala, defined as high migration areas, will be prioritized (Listed by areas of migrations from highest to lowest):

- *Region VII: Northwestern*
- *Region VI: Southwestern*
- *Region V: Central*
- *Region IV: Southeastern*
- *Region I: Metropolitan*

Projects implemented in multiple regions including those with reach to other Northern Triangle countries in addition to Guatemala will be accepted. **However, only projects focusing primarily on Guatemala will be considered.**

[My organization is based outside the region. Am I still eligible to apply?](#)

Yes, however, we strongly encourage partnerships with organizations headquartered and/or founded in Guatemala. Equal opportunity will be given to local, foreign or international organizations.

II. Guidelines to Consider

[Can my organization submit more than one proposal?](#)

Yes, an organization may submit or be involved in up to two proposals. However, an organization can be a lead or partner on only one proposal.

[Do we need to have identified all potential partner organizations in the concept note or can some be identified later \(i.e. indicate number and type, while specific organizations or firms are still being finalized\)?](#)

Ideally, we would like to have a sense for prospective and confirmed partners at this stage especially given our preference for interventions led by or in partnership with locally-headquartered organizations. However, we understand how things might change between the concept note and proposal.

[Is there a specific timeframe within which the project needs to be completed?](#) Yes, projects will run for 2 years from April 2022 to April 2024.

[What kind of support will my organization get from ANDE?](#)

Winners will receive programmatic as well as monitoring, evaluation, and learning assistance from ANDE, structured around quarterly check-in calls and in advance of reporting deadlines.

[Can GEDI funding be used as investment capital or other direct support to SGBs?](#)

Unfortunately, no. GEDI funding can only be used for programmatic support. Previous winning proposals have included budget items for administration and program management, case studies, dissemination and marketing, research and design, technology development, travel, workshops, and more. Indirect costs or overhead may also be included.

What kind of budget items are allowed?

While there are no overt restrictions on budget line items, we expect that all proposed budgets will be well thought-out, with reasonable amounts under each line-item to carry out the project in a reasonable and efficient manner. Previous winning proposals have included budget items for administration and program management, case studies, dissemination and marketing, research and design, technology development, travel, workshops, and more.

Indirect costs or overhead may also be included in the overall budget.

Cost-sharing is permitted. Proposals can request funding for a subset of a project, not a standalone project. If the funding request is for an entire budget, please indicate that. If not, include the total projected cost of the project and indicate which portion this grant would support. A list of project funders, including prospective and committed, is required.

In the list of project funding, can we budget for items like contracting TA providers and accounting support?

Yes, however, if the funding required exceeds \$2,000,000 total note that any additional funding required to make this project successful should be indicated in your application.

What does it mean when you ask for information about other project funders for our proposal?

If the funding request is for the entire budget, please indicate. If not, include the total projected cost of the project and indicate which portion this grant would support. For example, you could list the total budget as \$5 million, but the total requested from this fund as \$250,000. Proposals facing this circumstance will be evaluated based on their ability to implement the project with or without additional funding.

Do we need to have identified all potential partner organizations in the concept note or can some be identified later (i.e. indicate number and type, but specific organizations or firms still being finalized)?

Ideally, we would like to have a sense for prospective and confirmed partners at this stage especially given our preference for interventions led by or in partnership with locally-headquartered organizations, however, we understand how things might change between the concept note and proposal.

Can some of the funding be used for business or partner development?

Applications for this fund will be evaluated for efficiency in the sense of how these funds are

being used to finance an intervention as well as disseminate learnings from that pilot. Any line item needs to support the objectives of the fund.

What is the maximum percentage of services that can be contracted?

Contracting is allowable with no percentage maximum. However, note that the funding through GEDI cannot be used for loan guarantees, debt, equity etc. It is intended as grant capital alone.

Are subawards or grants to founders eligible budget items?

We would consider this funding SGBs directly, so no. Not an eligible budget item.

Can GEDI funding be used to fund working capital (sewing machines, work sheds, etc.)?

Technically, yes, however, budget line items must show a sufficient use of funds to tackle the issues outlined.

How many grants will GEDI fund?

There is not a fixed number of grants to be funded as private sector commitments keep increasing. There is no minimum or maximum number of grants either.

What's the definition of SGBs for GEDI?

Small and growing businesses (SGBs) are defined by ANDE as commercially viable businesses with five to 250 employees that have significant potential and ambition for growth. Typically, SGBs seek growth capital from USD \$20,000 to \$2 million.

Is there a minimum or maximum percentage of leverage funding (cofinancing)?

No, there is not.

Can this USAID-ANDE Fund be used for construction of physical infrastructure?

No, it can not.

How is "youth" defined in GEDI?

ANDE defines youth according to the OECD definition of those 15 - 24 years old who are un- or under-employed and would be seeking proposals that address entrepreneurship support for this target group.