

promote a particular industry's goods or services in a particular market. Creativity can be demonstrated by the manner in which techniques are customized to meet the specific needs of certain client groups. A proposal can be creative in the way it brings together the strengths and resources of partners participating in project activities. Further, projects that focus on market development are more creative than projects that focus only on export promotion. Market development is the process of identifying or creating emerging markets or market niches and modifying products to penetrate those markets. Market development is demand driven and designed to create long-term export capacity. In addition to promoting current sales of existing products, market development promotes future sales and future products.

b. Current or past cooperators must submit a table comparing their current or past project(s) and their proposed project. The need for this table and the requested format are described below.

As noted in the *Summary* at the beginning of the RFA, MDCP awards are designed to help underwrite the start-up costs of new projects. Accordingly, current or past cooperators can be in a position to earn the maximum number of points under this criterion only if they propose projects that are entirely new.

In order to determine whether a project is entirely new, the current or past cooperator must provide, as a separate appendix, a comparison between the elements of the proposed project and the elements of its current or past MDCP-funded projects. Current or past cooperators that propose projects that are not entirely new will receive fewer points under this criterion than they would receive otherwise.

In determining the number of points under this criterion, the selection panel will consider the level to which a particular applicant has incorporated elements of its previously funded MDCP projects. To do this, current or past cooperators should submit a table wherein they approximate the amount of resources devoted to each project element as a percentage of the total. For example, if an applicant received an MDCP award in 1995 and spent approximately \$400,000 of a total \$1,000,000 project budget on opening an office in Beijing, it could report that 40 percent of the resources of its 1995 project went toward the project element of opening its Beijing office. The applicant would do the same for the other elements of its projects.

Previous project(s)		Proposed project	
Element	%	Element	%
1	1
2 etc	2 etc
Total	100	Total	100

c. Institutional capacity will be measured by what each applicant submits. A current or past cooperator should not assume that success with a prior MDCP project will automatically be taken into account by the Department when reviewing its application. Each applicant must document its institutional capacity in its application.

5. *Budget and Sustainability:* Reasonableness of the itemized budget for project activities, the amount of the cash match that is readily available at the beginning of the project, and the probability that the project can be continued on a self-sustained basis after the completion of the award. Current or past cooperators must show how the proposed project will achieve self-sustainability independent of any current or past MDCP projects.

Each of the above criteria is worth a maximum of 20 points. The five criteria together constitute the application score. At 20 points per criterion, the total possible score is 100.

B. Evaluation and Selection Procedures

The applicant is responsible for submitting a complete application in a timely manner. Prior to selection, each complete application receives a thorough evaluation as set forth below.

1. *Eligibility Determination:* OPCM staff, in consultation with the Department's Office of General Counsel, review all applications to determine the eligibility of each applicant.

2. *ITA Program Area Review:* Relevant ITA program areas, including TD, MAC, and the Commercial Service, have the opportunity to review the submitted applications. This allows experts in the industry sector or geographical region to assess applicant claims. These reviewers provide insights into both the potential benefits and the potential difficulties associated with the applications.

3. *MDCP Administrative Review:* Representatives of OPCM review and comment on all applications using the evaluation criteria identified above. OPCM prepares for the selection panel a review packet including the applications and reviewer comments. The MDCP administrative staff and program area comments afford the selection panel the insights and breadth of experience of Department professionals. However, the selection panel is free to consider or disregard them as it sees fit.

4. *Selection Panel Composition:* The MDCP Manager forwards all of the eligible applications, along with all related materials, to the selection panel of senior ITA managers. This panel is chaired by the OPCM Director and typically includes three other members, one each from TD, MAC, and the Commercial Service. Panel members are office directors or higher.

5. *Selection Panel Scoring:* Each selection panel member reviews each eligible application and assigns a score for each of the five criteria stated above. The scores of each selection panel Member for each application reviewed are maintained in the files for seven years. The individual criteria scores are averaged to determine the total score for each application.

6. *Ranked Recommendation:* Based on the scores assigned by selection panel members and deliberations by the selection panel, the selection panel forwards the applications with the ten highest total scores ("top-ranked applications") to the Assistant Secretary for Trade Development and recommends which of the top applications should receive funding. If the amount of funds requested by the top ten applicants is less than the funding available, the selection panel recommends additional applications for funding in rank order.

The selection panel's recommendation will not deviate from the rank order. This means, for example, that the selection panel cannot recommend funding for the application ranked seventh without recommending funding for applicants ranked first through sixth. The selection panel recommendation includes the panel's written assessment of the strengths and weaknesses of the top-ranked applications.

7. *Selection of Applications for Funding:* From the top-ranked applications forwarded by the selection panel, the Assistant Secretary for Trade Development selects those applications which will receive funding. In addition to the criteria in V.A. *Evaluation Criteria* above, the Assistant Secretary for Trade Development may consider the following in making decisions:

a. Scores of individual selection panel members and the selection panel's written assessments,

b. Degree to which applications satisfy the ITA priorities established under IV.A.3.d. *Project Funding Priorities* above,

c. Geographic distribution of the proposed awards,

d. Diversity of industry sectors and overseas markets covered by the proposed awards,