

Request for Proposal (RFP) Firm Assessment

Subject RFP #:	RFP-CATALYZE-Ethiopia-2021-0121
RFP Issue Date:	February 18, 2021
Terms of Reference Specification	Assessment of SMEs for Business Advisory Services (BAS)
Project	CATALYZE Innovative Blended Finance
The Company	Palladium International LLC
Country of Performance	Ethiopia
Closing Date:	March 1, 2021
Question Deadline	February 24, 2021 <input checked="" type="checkbox"/> Accepted at catalyze.procurements@thepalladiumgroup.com <input type="checkbox"/> N/A
Detail of Submission	Submissions will be accepted: <input checked="" type="checkbox"/> Electronically: email to catalyze.procurements@thepalladiumgroup.com <input type="checkbox"/> In hard copy (sealed bids)
Offer Validity Period	90 days after proposal submission

Thank you for your interest in the above procurement. As implementer for the CATALYZE Innovative Blended Finance Project funded by United States Agency for International Development (USAID), Palladium invites you to submit a proposal for the scope of work attached in Annex A. Your proposal must be valid for the Validity Period. Please email your notice of intention to submit a proposal by the Questions Deadline. Answers to questions shall be distributed to all offerors that have indicated an intention to submit a proposal by the deadline. Please submit your proposal in accordance with the Details for Submission above by the Closing Date and Time.

This RFP in no way obligates Palladium to award a contract nor does it commit Palladium to pay any cost incurred in the preparation and submission of a proposal. Palladium bears no responsibility for data errors resulting from transmission or conversion processes.

Yours sincerely,
CATALYZE Procurement Team

Terms and conditions

1. Proposal Conditions

By submitting a proposal, potential suppliers are bound by these terms and conditions. Potential suppliers must submit offers with all details provided in English and with prices quoted in a single currency.

2. Proposal Lodgement

The Company may grant extensions to the Closing Time at its discretion. The Company will not consider any quotes received after the Closing Time specified in the RFP unless the Company determines to do so otherwise at its sole discretion.

3. Evaluation

The Company may review all proposal to confirm compliance with this RFP and to determine the best proposal in the circumstances.

4. Alterations

The Company may decline to consider a proposal in which there are alterations, erasures, illegibility, ambiguity or incomplete details.

5. The Company's Rights

The Company may, at its discretion, discontinue the RFP; decline to accept any proposal; terminate, extend or vary its selection process; decline to issue any contract; seek information or negotiate with any potential supplier that has not been invited to submit a proposal; satisfy its requirement separately from the RFP process; terminate negotiations at any time and commence negotiations with any other potential supplier; evaluate proposals as the Company sees appropriate (including with reference to information provided by the prospective supplier or from a third party); and negotiate with any one or more potential suppliers.

6. Amendments and Queries

The Company may amend, or clarify any aspect of the RFP prior to the RFP Closing Time by issuing an amendment to the RFP in the same manner as the original RFP was distributed. Such amendments or clarifications will, as far as is practicable be issued simultaneously to all parties.

Any queries regarding this RFP should be directed to the Contact Person identified on the cover page of this RFP.

7. Clarification

The Company may, at any time prior to execution of a contract, seek clarification or additional information from, and enter into discussions and negotiations with, any or all potential suppliers in relation to their proposals. In doing so, the Company will not allow any potential supplier to substantially tailor or amend their proposal.

8. Confidentiality

In their proposal, potential suppliers must identify any aspects of their proposal that they consider should be kept confidential, with reasons. Potential suppliers should note that the Company will only agree to treat information as confidential in cases that it considers appropriate. In the absence of such an agreement, potential suppliers acknowledge that the Company has the right to disclose the information contained in their proposal.

The potential supplier acknowledges that in the course of this RFP, it may become acquainted with or have access to the Company's Confidential Information (including the existence and terms of this RFP and the TOR). It agrees to maintain the confidence of the Confidential Information and to prevent its unauthorised disclosure to any other person. If the potential supplier is required to disclose Confidential Information due to a relevant law or legal proceedings, it will provide reasonable notice of such disclosure to the Company. The parties agree that this obligation applies during the RFP and after the completion of the process.

9. Alternatives

Potential suppliers may submit proposals for alternative methods of addressing the Company's requirement described in the RFP where the option to do so was stated in the RFP or agreed in writing with the Company prior to the RFP Closing Time. Potential suppliers are responsible for providing a sufficient level of detail about the alternative solution to enable its evaluation.

10. Reference Material

If the RFP references any other materials including, but not limited to, reports, plans, drawings, samples or other reference material, the potential supplier is responsible for obtaining the referenced material and considering it in framing their proposal. And provide it to the Company upon request.

11. Price/Cost Basis

Prices or costs quoted must show the tax exclusive price, the tax component and the tax inclusive price.

The contract price, which must include any and all taxes, supplier charges and costs, will be the maximum price payable by the Company for the Goods and/or Services.

12. Financial information

If requested by the Company, potential suppliers must be able to demonstrate their financial stability and ability to remain viable as a provider of the Goods and/or Services over the term of any agreement.

If requested by the Company, the potential supplier must promptly provide the Company with such information or documentation as the Company reasonably requires in order to evaluate the potential supplier's financial stability.

13. Referees

The Company reserves the right to contact the potential supplier's referees, or any other person, directly and without notifying the potential supplier.

14. Conflict of interest

Potential suppliers must notify the Company immediately if any actual, potential or perceived conflict of interest arises (a perceived conflict of interest is one in which a reasonable person would think that the person's judgement and/or actions are likely to be compromised, whether due to a financial or personal interest (including those of family members) in the procurement or the Company).

15. Inconsistencies

If there is inconsistency between any of the parts of the RFP the following order of precedence shall apply:

- (a) these Terms and Conditions;
- (b) the first page of this RFP; and
- (c) the Schedule

so that the provision in the higher ranked document will prevail to the extent of the inconsistency.

16. Collusion and Unlawful Inducements

Potential suppliers and their officers, employees, agents and advisors must not engage in any collusive, anti-competitive conduct or any other similar conduct with any other potential supplier or person or quote any unlawful inducements in relation to their proposal or the RFP process.

Potential suppliers must disclose where proposals have been compiled with the assistance of current or former the Company employees (within the previous 9 months and who was substantially involved in the design, preparation, appraisal, review, and or daily management of this activity) and should note that this may exclude their proposal from consideration.

Potential suppliers warrant that they have not provided or offered any payment, gift, item, hospitality or any other benefit to the Company, its employees, consultants, agents, subcontractors (or any other person involved in the decision-making process relating to this RFP) which could give rise to a perception of bribery or corruption in relation to the RFP or any other dealings between the parties.

17. Jurisdiction

This RFP shall be subject to the laws of the District of Columbia, United States of America. The language of the arbitration will be English.

The Potential Supplier and the Company will use their best efforts to settle amicably any dispute, controversy, or claim arising out of, or relating to this RFP or the breach, termination, or invalidity thereof. If no agreeable settlement can be found, any dispute, controversy, or claim arising out of or relating to this RFP or the breach, termination, or invalidity thereof, shall be settled by mediation through the American Arbitration Association by filing a request for mediation with the AAA and the other party. The Parties will be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute.

Company Information

Palladium is a global leader in the design, development and delivery of Positive Impact — the intentional creation of enduring social and economic value. We work with corporations, governments, foundations, investors, communities and civil society to formulate strategies and implement solutions that generate lasting social, environmental and financial benefits.

Project Background

The CATALYZE Blended Finance Mechanism is a \$250 Million, 8-year contract (5-year base period, with a single 3-year option period) which uses a facilitated partnership model to craft solutions to crowd in \$2 Billion in blended finance (i.e. blended concessional and commercial finance) to USAID partner countries and initiatives. CATALYZE allows USAID Bureaus and Missions to efficiently deploy investment facilitation solutions that respond to the needs of specific sectors, issues, and geographies. Initial programs focus on education finance to implement sustainable education business models serving low-income communities, and achievement of the WGDP objectives, but the mechanism can be applied to any development challenge or region.

Purpose

The USAID-funded CATALYZE: Market Systems for Growth (CATALYZE: MS4G) activity is designed to strengthen the Ethiopian economy, increase sales and revenue, expand exports and create jobs through the use of blended finance. One of the main objectives of MS4G is to directly support the growth of 1,200 enterprises (via increase in sales and/or revenues) because of USAID-funded Business development services (BDS). To lay the foundation for the BASP window of the MS4G Facility, CATALYZE: MS4G is commissioning a firm-based assessment to (i) select five to ten local firms in the market; (ii) profile those firms in terms of company product and services, operations, and performance; (iii) assess business advisory service and business development need of each firm; (iv) provide recommendation services the firm requires. The assessment will inform the services as well as the structure of the performance-based payments offered by the MS4G Facility.

Type of Contract

Palladium intends to issue a *Firm or Individual* Fixed Price subcontract to the selected offeror.

Anticipated Contract Period of Performance

The period of performance will be approximately 60 days after subcontract execution.

Place of Performance

The activities to be performed under this subcontract will take place in Ethiopia. See the Instructions for Submission of Cost Proposal for travel assumptions.

Key Deliverables and Timeline

All deliverables are detailed further in Annex A: Scope of Work

Deliverable # Report and Deliverable Deadline Payment Amount

Deliverable	Reports	Deadline*	Payment Amount
1	Firm/SME profiles	Week 1	20%
2	First draft of written report	Week 5	30%

3	Final Written Report	Week 7	30%
4	Virtual Presentation material	Week 8	20%

**See timetable of SoW for detail. Week 1 kickoff meeting.

Instructions to Offerors

Separate technical and cost proposals must be submitted by email no later than the time and date specified on the cover page.

1) Technical Proposal For the technical proposal, the offeror must submit:

- a) Cover letter with the following information:
 - i) Firm/Individual contact info and address
 - ii) If organization, Type of company or organization
 - iii) DUNS Number (Company must have a DUNS number or obtain one within 5 days of being notified of selection)
 - iv) Signed by an authorized representative of the company
- b) Background (individual or firm) and relevant expertise (max 2 pages)
- c) Past Experience Information/Capability Statement
- d) Technical Proposal & Management Approach
- e) Proposed work plan showing how the firm/Individual would execute this project including a timeline (max 2 pages)
- f) Description of relevant projects previously performed by the firm/Individual, demonstrating expertise as outlined in Annex A (max 4 pages)
- g) Contact details for three referees (max 1 page)
- h) All supporting documentation specified below in the pass/fail evaluation criteria.

2) Cost Proposal. Offers must submit a cost proposal. CATALYZE will provide a budget template upon request through catalyze.procurement@thepalladiumgroup.com. The cost proposal consists of:

- a) Budget in Microsoft Excel with all formulas visible (unlocked)
- b) Accompanying Word Document with all cost assumptions and explanations

Key assumptions

- Budget in Ethiopian Birr for local entities and USD for international entities
- All prices are to be inclusive of relevant taxes
- Separate unit cost and number of units
- Break down activity costs into as much detail as possible
- Offeror should budget for: all allowable costs to implement activity, including but not limited to salaries,
- travel, other direct costs, etc.
- Preferred budget ceiling is **\$10,000 USD**

The selected offeror will be required to complete the Due Diligence Questionnaire and provide a DUNS number (if firm) within 5 days of being notified of selection.

Submission of Offers

Electronic proposals must be submitted by sending two separate emails, one for technical proposal and one for cost proposal with the RFP number in the subject lines. If submitting in hard copy, the technical proposal and cost proposal must be in separate sealed envelopes. Mark envelopes with the RFP number and offeror's name. Ensure all required documents are attached. The RFP number can be found on the cover page.

Offers received past the deadline stated on the cover page will be deemed non-responsive and will not be considered for award.

Evaluation and Award Process

Proposals will be evaluated using a best value trade off methodology. This is a three-stage process.

(1) The first set of criteria is graded on a pass/fail basis. Offerors must meet the following minimum eligibility qualification criteria and provide supporting documentation:

Requirement	Supporting Document
(a) Must not have any active exclusions from the working with the US government (www.sam.gov), the UN (Sanctions List), or the US Department of the Treasury Office of Foreign Asset Control	Completed Due Diligence form and provide a DUNS number (if firm) within 5 days of being notified of selection
(b) Must be a registered legal entity in Ethiopia for a minimum of one year	Copy of certificate or articles and memorandum of associate

(2) If these minimum criteria are met, the offer's technical proposal will be evaluated as follows:

Evaluation Criteria	Documents Evaluated	Points
Proposed plan	Provide a work plan with a timeline for completing key tasks and deliverable	34
Past Performance	Expertise in firm-level operational and financial assessment as outlined in Annex A and past experience in Ethiopia in providing services of a similar scope	33
Staffing Plan	Proposed team composition including all local and international staff, proposed roles and responsibilities as well as CV	33
Total		100

(3) The offeror's cost proposal will be evaluated for:

- Proposed total price, relative to other offers received
- Realism and reasonableness of the work to be performed
- Price reflects a clear understanding of the requirements
- Price is consistent with various elements of the technical proposal
- Compliance with USAID cost principles (Cost Principles in FAR Part 31)

Palladium reserves the right to award under this solicitation without further negotiations. The offerors are encouraged to offer their best terms and prices with the original submission.

PROCUREMENT INTEGRITY AND ETHICS

It is Palladium's Policy that no gifts of any kind and of any value be exchanged between vendors/contractors and Palladium personnel. Discovery of the same will be grounds for disqualification of the vendor/contractor from participation in any Palladium's procurements and may result in disciplinary actions against Palladium personnel involved in such discovered transactions.

Resulting Award

This RFP in no way obligates Palladium to award a contract. Palladium may opt to select multiple offers in response to this RFP.

Any contract/purchase order resulting from this solicitation must be signed by both parties in order to be considered valid and in force. All costs associated with, but not limited to, production, preparation and/or delivery of goods or services, including deliveries, accepted by Palladium staff, without a fully executed (signed by both parties) contract/purchase order, are at the vendor's risk only. Palladium shall not pay for any costs, without limitation, associated with production, preparation or delivery of goods and/or services under this or any other contract/purchase order, which has not been signed by both parties.

If your proposal is successful, you will be required to enter into the Company's standard contract for the types of goods or services being provided. In the provision of the Goods and Services, you will be required to comply with the Company's policies, including (without limitation) its Business Partner Code of Conduct and any relevant client terms and conditions. Potential suppliers must also comply with the Company's Business Partner Code of Conduct in the submission of any proposals pursuant to this RFP.

If you are bidding as part of a joint venture, partnership or similar, please make this clear in your submission. Likewise, if you propose to subcontract any part of the goods or services provision, then disclose this fact within your submission. The Company may require additional information from you and approval for subcontracting will not be automatic as subcontractors will be subject to Palladium's Due Diligence process.

Code of Conduct

Palladium Business Partner Code of Conduct and Child Protection Guidelines can be downloaded in full at: <http://www.thepalladiumgroup.com/policies> or request through email from Catalyze.procurement@thepalladiumgroup.com

Annex A: Scope of Work

FIRM-LEVEL RAPID ASSESSMENT

COVER SHEET

Contractor Name (“Company”)	Palladium International LLC
Company Country	United States of America
Address	1331 Pennsylvania Ave NW, Suite 600 Washington, D.C. 20004, United States
Project Name (“Project”)	CATALYZE
Sub Contract (“Program”)	Business Service Advisory Service – Rapid Assessment
Beginning Date of Sub Contract	8 March 2021
End Date of the Sub Contract (“Term”)	30 April 2021
Subcontract Type:	Delivery Based
Subcontract period:	Two Months
Country of Performance	Ethiopia
Jurisdiction (“Jurisdiction”)	District of Columbia, United States of America
Currency (“Subcontract Currency”)	USD

1. BACKGROUND

USAID’s CATALYZE, Market Systems for Growth (MS4G) aims to foster enterprise-driven growth, especially among private firms that have high potential, and to leverage USAID’s investments with the private sector to unlock private capital to drive inclusive growth. Specifically, program objectives are to: (1) increase Ethiopian enterprises’ sales and revenues; (2) better align and match workforce skills with the specific needs of private enterprises; (3) improve the business enabling environment for private enterprise expansion; (4) increase USG capabilities to engage with and facilitate catalytic investment and trade opportunities resulting in significant increases in two-way trade between the US and Ethiopia; (5) facilitate the development of a private sector-led digital economy that is open, inclusive, and secure; (6) increase Ethiopian exports and finally; (7) unlock the potential of private capital to drive inclusive growth in order to contribute to accomplishing all other objectives.

MS4G aims to increase Ethiopian enterprises’ sales and revenues, resulting in increased private wage employment in urban and peri-urban areas, with a focus on Addis Ababa and Ethiopia’s secondary cities and equal opportunities for women and men. MS4G will tackle capacity gaps through the use of BASPs to drive business growth – with a particular focus on women-led SMEs with high growth potential – and enable financial service providers to meet these enterprises’ evolving financial needs through the MS4G Facility. Across all activities under the initiative, the MS4G core team and other implementing partners will be required to integrate a gender lens and provide services that equitably address the unique business advisory and financing needs of male and female entrepreneurs.

To this end, USAID has availed CATALYZE Blended Finance Mechanism, a \$250 Million, 8-year contract which uses a facilitated partnership model to craft solutions to crowd in \$2 Billion in blended finance (i.e. blended concessional and commercial finance) to USAID partner countries and initiatives.

2. BASP PROGRAM

One of the MS4G Facility focused on SMEs. Funded by USAID and valued at \$15 million over the life of the project to specifically enhance the performance of SMEs and enhance access to markets as well as increase readiness to capital. Business Advisory Services (BAS), on the front end will support growth-oriented businesses – with a particular focus on women-led SMEs with high growth potential – and enable financial service providers to meet these enterprises’ evolving operational (financial) needs.

3. OBJECTIVE

The main objective is to assess five (5) firms in Ethiopia in order to identify the five (5) top priorities of support from Business advisory service providers (BASP). The assessment is divided into the following categories:

- A. Operation management evaluation
- B. Financial position evaluation
- C. Company's sales and revenue
- D. Human Resources evaluation

Assessment Guideline

- A. Output 1: Assessment of operation management.** For each firm, there is an assessment of how the operation of the business is managed. This includes assessing strategies, policies, manuals and standard operating procedures of each department of the company. It includes how the company hires, trains, and manages staff. It also includes processes and procedures. Likewise, the assessment should determine if the firm is adequately staffed.
- B. Option 2: Assessment of Financial Position.** One way to evaluate your company is to look at your financial soundness. In addition to having enough money to pay your bills on time, you should have extra cash, or enough access to credit, to order supplies, pay emergency bills or expand your business. A company evaluation that examines your monetary position uses financial documents such as a balance sheet, accounts receivable and payable, profit-and-loss statement, annual budget, and cash flow statement.
- C. Output 3: Assessment of how the firm generates sales and revenue.** This includes product pricing strategy of the company, product competitiveness, marketing and sales strategy. The detail assessment of how the firms is generating sales and revenue and the review the current revenue stream.
- D. Output 4: Human Resources Evaluation.** This includes assessing the organizational structure of the business and resources required form key executives, to department heads, to managers, to coordinators and staff. It also includes evaluation of job descriptions for each position and assessing if necessary tasks are performed by the right people, based on their place in your organizational structure.
- E. Output 5: Recommendation.** For each output, based on the state of each SME, provide a recommendation for each including the necessity human capital for BASP and BDS facilitation and delivery. The recommendation is basically extern services required for the company to succeed and the type of services required to assist MSME entrepreneurs to operate efficiently and grow their businesses with the aim of contributing to revenue/sales growth, export growth, and employment generation. The Recommendation may include range of activities that improve the performance of the enterprise, its access to markets, and its ability to compete etc or an array to assistance it requires: such as staff training, marketing, information, technology development and transfer, business linkage promotion. It could be both strategic (medium-to-long term issues that improve performance) and operational (day-to-day issues). It may also be mechanisms to address market failures such as lack of information (market opportunities, rules and regulations, access to credit, quality standards for export, etc.) which can act as a barrier to faster economic development and growth.

4. DELIVERABLES

The assessment team is responsible for the following deliverables:

- 4.1. A 2-page company profile submitted per company to MS4G.
Names of the companies and contact information will be provided.
- 4.2. A 10-15 page draft of written assessment report with recommendation per company. A report template will be provided.
- 4.3. Final report submitted to MS4G incorporating any recommendations for improvement to which the MS4G team and USAID provide concurrence.
- 4.4. Virtual presentation to MS4G and USAID highlighting key findings recommendations within 12 weeks. Presentation will be conducted via Microsoft Team or other platform determined in conjunction Palladium and include at least 10 slides per company.

All products to be delivered in writing must be prepared in English and transmitted electronically. All deliverables must be prepared in line with USAID branding policy, and using the guidelines, format and logos of USAID. Style templates will be provided by MS4G. All deliverables must be free of spelling and grammatical errors. Independent assessment of SMEs performance to date. SME assessment report and benchmark at it relates to the firm's: sales, revenue, profitability, growth level. In addition, the consultant provides workforce assessment.

Timetable

No.	Deliverable	1-Mar	8-Mar	15-Mar	22-Mar	29-Mar	5-Apr	12-Apr	19-Apr	26-Apr
		0	1	2	3	4	5	6	7	8
0	Project kick-off									
1	2-page company profile									
2	A 10-15 page draft assessment and recommendation report									
3	Draft Review and Feedback									
4	Final Assessment Report w/ recommendation									
5	Virtual presentation to MS4G and USAID									

5. ACCEPTANCE OF DELIVERABLES and PAYMENT

Deliverables will be reviewed by the Investment & Trade Transaction Manager, MS4G (or his/her designee) for completeness before being accepted and approved for payment.

6. REPRESENTATION AND TERMS

The work under this assignment must be carried out in close cooperation with the MS4G team. All documents developed by the Vendor/Consultant within present Terms of Reference, strategy, approach, reports, plans, etc. are owned by MS4G.