

QUESTIONS & ANSWERS

Date: 05/03/2021

Reference Request for Proposal Number: FON-CATALYZE-Edu-2021-0139

Dear Offerors,

Please see below answers to the questions submitted to: catalyze.procurements@thepalladiumgroup.com.

Responses to questions received after April 23 are included from page 7 (question 71) onwards.

No	Question	Answer
1	Does the early childhood definition include intervention for children 0- 8 that have evidence for leading to greater learning outcomes?	<p><i>(Note: During the live Q&A on Apr 20 we had erroneously communicated that early childhood age group is 3+ years, in fact it is defined as 0-8 years. See below for clarification, and apologies for any confusion)</i></p> <p>Early childhood is defined as the age range of 0-8 years under the Global Thrive Act. https://www.govtrack.us/congress/bills/116/hr6395/text</p> <p>Early childhood care and education cover a broad range of activities.</p> <p>Pre-primary education includes introducing very young children to pre-academic readiness, generally starting at 3 years. See this link where pre-primary age group is defined as:</p> <p>Program Element ES.1.1: Pre-Primary Education Definition: <i>Introduce very young children, generally aged at least 3 years, to pre-academic readiness. A structured and purposeful set of learning activities are provided either in a formal institution or as part of a non-formal child development program.</i></p> <p>For the purposes of this activity to leverage new funding and stimulate innovative methods for reaching learning outcomes, CATALYZE does not prescribe how learning outcomes are to be reached. Rather, a diversity of activities/approaches that leads to greater learning outcomes will be considered.</p> <p>The implementer may suggest the age range and duration of intervention, as long as learning outcomes are measured.</p>
2	Can it include work in child care that also includes a learning outcomes component?	Refer to the definition of Basic education on page 2 of the FON, or page 26 of the Operational Guidance on USAID Education policy, for the full list of programs and activities eligible for funding. It includes both early childhood

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		<p>programming, as well as or including pre-primary delivered in formal or non-formal education settings.</p> <p>Programs funded under this FON may encompass a diversity of approaches or interventions, however, they must have the improvement of learning and educational outcomes as a specific, measured objective.</p>
3	Can these interventions be broader than education, for multisectoral interventions, or home visiting, that may not be education-specific but that have a strong evidence leading to greater learning outcomes?	Funding from CATALYZE Education Finance can only be used to support education related activities. Activities outside a formal education institution that support learning outcomes can be included, so long as robust evidence is provided linking these activities with enhanced learning outcomes.
4	Can sources of funding be included if they are raised from faith-based sources?	Yes.
5	Can sources of funding be included if they are raised from foundation sources?	Yes.
6	Are you able to confirm whether DRC is indeed not being considered for inclusion for this particular opportunity?	At this time, DRC is not included in this activity.
7	What other areas do you fund in education?	This funding is only for non-state sector in the Basic Education. Definitions have been provided in the FON (pages 2-3).
8	What are terms and conditions for this fund?? Does this fund also involve religious sisters who wants to get education or lay people?	CATALYZE funds can be deployed as a grant, or a first loss capital or to support other risk mitigation strategies. CATALYZE funds are not ‘invested’ with a return objective other than fulfilling the development objectives of the funding.
9	I am interested in supporting students who are having difficulties in paying school fee. What should I do in order to get this fund and support these students?	We are looking to you to propose your best idea. We wouldn’t be best placed to tell you what to do.
10	Do you accept proposals for construction of classrooms (partial assistance)?	At the moment we are not accepting proposals where USAID funds will be used for construction. Construction will have to be funded from other sources and USAID/CATALYZE funds can be used for other supporting purposes. If a proposal includes construction funded through other (non-USAID) funding sources that will be considered eligible to apply under this activity.
11	Can I submit two proposals for the same for Kenya and Tanzania?	You can submit one proposal that can cover more than one country. We expect you to submit your best proposal/idea.
12	Are there specific areas of support to education that you are looking for?	We are looking to support non-state sector in Basic Education. See definitions included in the FON.
13	Does new workforce development include graduates looking for a job?	Under the Basic Education definition this activity can fund workforce development for youth and adults at or below the secondary school level and for out-of-school youth and adults with less than a secondary school level, or equivalent, educational attainment. This includes capacity development

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		<p>support to institutions and organizations that provide these services.</p> <p>For a complete definition of Basic Education see page 2 of the FON and also page 26 of the Operational Guidance on USAID Education policy.</p>
14	Do financial contributions from Philanthropic Foundations count as leveraged private capital (I think it has counted for previous RfPs?), or is it only 'commercial' finance?	The proposal does call for mobilizing commercial capital and we welcome your best ideas for that. However, if you have a compelling proposal that includes impact capital then we will consider that too.
15	Can in-kind contributions (e.g. staff time) count as leveraged finance?	No.
16	Previous questions have specified private leverage ratios of at least 3:1. Is there any specification for this funding opportunity?	No specific leverage, we are looking for greatest leverage possible.
17	What is the maximum project duration?	At this moment, we expect the project to end in Sep 2024, with an option to extend for 3 more years
18	Do evaluation activities and costs need to be built in, or will the successful project(s) be externally evaluated?	No, external evaluation costs don't have to be included. Palladium will work with the selected partners on a robust Monitoring, Evaluation and Learning (MEL) plan that will be implemented by the partners selected for each funded activity.
19	The Concept Paper is no more than ten total pages (excluding annexes), but according to the guidance in the FON, the two Sections cannot exceed seven pages combined. Is this right?	Ten pages maximum, please.
20	Are we allowed to consult with relevant USAID country missions before the May 10 th deadline?	Yes.
21	Under Eligibility Requirements, point number 3 states that "You are legally registered as a for-profit or not-for-profit organization in accordance with national laws and are in good standing, legally licensed and up to date on all taxes; Does this imply that the bidding entity has to be legally registered in all the territories in which it wants to submit the bid or can the entity be registered in another country but can operate in the said territories?	Bidders may propose to be based in another country but be willing to travel to or identify local operators in the territories. In either scenario, bidders must be legally registered entities of the countries they are based in and must operate in compliance with all local laws within the territories.
22	In the document, emphasis is placed on significantly mobilizing commercial capital. Does this carry equal significance as the delivery of scalable and sustainable solutions for high quality education? Can you elaborate more on this?	The evaluation criteria on page 3 shows significance carried by the different elements including mobilizing capital, delivery of quality education, etc.

No	Question	Answer
23	Is there a need to submit a letter of intent? Or do the questions sent fulfil this purpose?	No need to submit letter of intent, you can just directly submit a proposal
24	The FON stipulates 1 page for cover, 6 pages for tech proposal, and unspecified for letters of commitment (which may be part of annexures) and Gantt chart. We have roughly 8 pages for these and an allowance for 10pages in all. Can we use more pages for tech proposal if we still don't exceed 10 max	10 pages maximum please for the main body of your proposal, any additional information should be submitted as annex.
25	Would the awardee receive the funds as a lump sum, or in instalments?	This will be decided based on the financing needs of the activity and the organization. Financing will be tied to achieving objectives, to receive up front financing most or all of the objectives must have been met upfront.
26	Does the awardee need to include the type of proposed funding structure in the concept paper? (e.g. whether the goal would be achieved through instruments such as SIBs and DIBs)	Any details about fund structure, investors, investment purpose, pipeline, expected returns, etc. are welcome
27	What is the expected duration of the project? Is there a cap on the timeframe?	At this moment, we expect the project to end in Sep 2024, there is an option to extend for 3 more years.
28	What period does funding cover?	See above.
29	Do we need to match fund? What details can you provide regarding this?	We are seeking ideas that leverage USAID/CATALYZE funding with additional funds from other sources. Match funds from your organization may be a part of the additional funds, but its not necessary. These can be from any other source.
30	What does investment capital mean in this context?	Investment Capital is usually defined as capital seeking a return; commercial investment capital seeks a risk adjusted market rate of return.
31	Are projects that are new business models to an existing business qualified for funding under this grant?	Yes, so long as you can convincingly demonstrate that the new business model has been tried and tested elsewhere else, and can be scaled.
32	If new projects within an existing business, at what stage would you prefer new projects to be at e.g. Concept, Minimum Viable Product, post revenue or growth?	No fixed timeline, we're looking for projects that have the greatest potential to be financial sustainable beyond our funding.
33	What are the exceptions for funding i.e. what items should the funding not be used for e.g. some exclude advertisement or equipment etc.	Construction, to check for any other exception please send an email to catalyze.procurements@thepalladiumgroup.com .
34	Can one organization send in two different applications for the grant in the hope that only one is selected for eventual funding?	Please send us your best idea.

No	Question	Answer
35	Are e-signatures stored on, or generated on electronic signature platforms, e.g. DocuSign, accepted forms of signatures?	Yes; electronic signatures will be acceptable.
36	We are NGO working in South Sudan are we eligible to get fund from you?	South Sudan is an eligible country for this activity.
37	Kindly elaborate the commercial financing and investment , share an example	Please apply general definitions of commercial capital, investment and other kinds of capital. If you have a specific question regarding the definition/activity for your proposal please send an email with more details and your question at catalyze.procurements@thepalladiumgroup.com .
38	Would the project fund advocacy for systemic change as part of a programme design	Yes, so long as all other objectives described in the FON can also be met through your proposed activity
39	Does the fund give only school fees or does it include other school development such as library, construction, laboratory, computer etc?	We are open to receiving all ideas for funding so long as the objective described in the FON are met. There is no condition that stipulates that these funds must only be spent for school fees or library or computer, etc.
40	To be clear, would state-funding also qualify as additional capital mobilised?	Yes.
41	For how long is the funding?	Expected end date is Sep 30, 2024, with a potential extension of up to 3 years.
42	How will this project interact and overlap with other country-specific CATALYZE FinEdu projects?	There is no interaction/ overlap required or planned with other CATALYZE projects.
43	Do you have a target for the leverage ratio you are looking for?	No specific leverage, we are looking for greatest leverage possible.
44	For additional clarity please, would evaluation of amount raised be based on absolute value of additional capital mobilized or multiple of USAID funds received	Evaluation of additional amount raised will be based on absolute value of capital mobilize. Multiple of USAID funds or leverage ratio is another way to represent this additionality.
45	Do you have any kind of template or form for the proposal submission?	No, all the proposal elements are listed in the FON. You can use your own budget template. A budget template can also be provided on request. Please send an email for this to catalyze.procurements@thepalladiumgroup.com
46	What kind of agreement we have to enter into. Is it a cooperative agreement or contractual?	As explained in the FON, an appropriate subcontract or grant agreement will be drafted, depending on the proposed activity.
47	Is there a defined period within which the commercial capital must be mobilised?	No, there is no set period, though earlier mobilization would provide more time for implementation.
48	Is it a loan or grant?	Funding will be in the form of a grant or a sub-contract, depending on the activity proposal.
49	What is the process of review after submission of proposal?	Notification is expected to be approx. 3-4 weeks following submission deadline of May 10, 2021.
50	Can you clarify if capital should be mobilized before approval of the project or we can secure capital later, after approved?	Not required, but anything in the proposal that strengthens the case will be welcome (e.g. a letter of intent from a funder).
51	Are there any assets or expenses as part of the project that are will not be funded under this grant?	USAID CATALYZE funds cannot be used for construction directly. Some expenses would need further consideration, including the purchase of equipment. If you have questions

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		on a specific expense then please contact us at catalyze.procurements@thepalladiumgroup.com .
52	Will this Q&A be shared in either a recording or written document?	A written document of these questions will be shared. Written responses to additional questions will also be shared.
53	Can we leverage on existing capital (not newly mobilized) and can the project end before 2024 with anticipation that the project continues sustaining itself	Intention is to create additionality. The case for using CATALYZE funds for existing funds (and not newly mobilized funds) would need to be made in the proposal.
54	Are partnerships/consortiums preferred or single organizations can be funded through this?	Both are welcome, there is no preference or restriction.
55	Could you please expand on your previous answer regarding whether prior Catalyze recipients are encouraged to apply for further awards for countries that they are not currently active (e.g. do not have an active award)?	There is no restriction, prior CATALYZE recipients are eligible to apply.
56	Could this funding be used as the main source of funding for a project with the intent and a plan for securing further funding to make the program sustainable longer term?	The proposals must meet the aim of mobilizing additional funding during the course of the activity.
57	Have you covered the role of the local USAID Missions in this process?	Proposals that get selected will be discussed with USAID including the local Missions, and then a final decision will be made.
58	What is your extended definition/explanation of blended finance and commercial capital investment (besides the already given explanation in the call text)? Does our suggested project need to mobilize funding, during project implementation, for development outcomes? Or does our project already need to have mobilized new commercial funding before it starts?	For an extended explanation of blended finance see here: https://www.usaid.gov/INVEST/blended-finance-starter-kit Yes, the suggested project must mobilize funding during project implement for development outcomes. Not necessary to have funding secured before the project starts. Anything in the proposal that strengthens the fund raising case is welcome (e.g. a letter of intent from a funder).
59	What does 'new' private finance mean? What is considered new?	New private finance is any finance that is raised for the purposes of the proposed activity. If you have a specific question about whether your financing will qualify as 'new' then please write to us with more details at catalyze.procurements@thepalladiumgroup.com .
60	What kind of private sector needs to be involved in the suggested ideas? Companies or private education organizations?	Both are allowed.
61	Are consortia preferred?	No preference, consortium is also eligible to apply.
62	What possibilities do you offer to match interested parties?	Question is not clear.
63	And what will be the main activities or suggested activities of the projects be?	You are expected to propose activities that meet the objectives defined in the FON.
64	What kind of education solutions are you looking for that need commercial capital investment? Do these solutions need to be new, innovative, or can they be past pilot stage and ready for scale up?	Both are allowed, the solution can be new or past pilot stage ready for scale up.

No	Question	Answer
65	What will be the budget set up? Is co-funding required? And does this co-funding need to be from the commercial party involved?	Already answered above. For any further questions on this please write to us with more details and your specific question at catalyze.procurements@thepalladiumgroup.com .
66	Is this call part of the 8 year strategy of Palladium and USAID? And if yes, will there be more calls? If yes, when will these calls come out and will these calls be similar in set up?	This question applies to other calls. We are only able to answer questions that relate to this FON.
67	In a scenario where an organization has tried and tested a model that works to meet the objectives of the RFP, can the funds be used to roll out this model to other organizations including non-state schools?	Yes.
68	In the case where an applicant is able to demonstrate that their current activities/model meets the criteria for a viable project, can the funds be used to enhance the current model and/or conduct operational improvements so as to scale quality basic education?	Yes.
69	You mentioned that the funds cannot be used for construction; however, the funds be utilized for aspects such as acquisition of furniture and structural improvements?	Acquisition of furniture and other equipment is allowed, subject to USAID procurement rules. If 'structural improvements' includes construction activities for building expansion/addition that is still considered construction and not allowed. If there are still any questions about this, please write to us with more details at: catalyze.procurements@thepalladiumgroup.com .
70	For purposes of explaining how we will leverage USAID funds to mobilize additional financing and investment, how do you define the "multiple" of mobilized capital? i.e. what is the Numerator/Denominator?	Numerator = Financing or investment mobilized for the activity from commercial and other sources. Denominator = USAID/CATALYZE funds requested under this proposal for the activity. "Multiple" of mobilized capital (or "Leverage") = Numerator / Denominator.
71	Is it okay to identify a church as a sponsor in a blended financing model? Where the Church provides land for community use e.g. village polytechnic ECD center etc and mobilize members to adopt or sponsor a student	It's okay to identify church as a sponsor. The land provided by the church is considered an in-kind contribution. In-kind contributions are welcome, but they will not be included in the 'amount of new finance/investment mobilized'.
72	Could you please clarify that proposals involving non-state organisations working in government schools (PPPs) will be eligible and not just projects working in private schools?	Yes, non-state organisations working in government schools (PPPs) are eligible
73	It sounds like the FON is focused on non-formal education, please could you confirm that interventions targeting government schooling will not be considered?	This FON does not exclude interventions targeting government schools as long as the proposed solution can meet the key objectives of the FON, i.e. (i) the proposed intervention focuses on increasing access and improving learning outcomes, (ii) can leverage USAID/CATALYZE funding with capital from

No	Question	Answer
		commercial or other sources, (iii) provides a private sector driven solution, i.e. has the potential to scale up and be sustainable beyond USAID/CATALYZE funding
74	We understand that construction is not an unacceptable use of CATALYZE funds. However, would school improvement or maintenance of existing construction be an acceptable use of funds? Similar, if a company owns a networks of schools, is acquisition finance an acceptable use of proceeds?	CATALYZE funds cannot be directly used for any kind of construction activities, e.g. classroom addition, school improvement or any other type of construction. However, CATALYZE funds can be used to mobilize capital for construction purposes from other sources. Acquisition finance is an acceptable use of proceeds
75	If the education activities undertaken as part of the project were to extend beyond the focus countries (e.g. a service that found a market in a country not covered), is that acceptable provided that any costs associated with delivering it are not covered by the CATALYZE funding	Yes, that's acceptable. The capital mobilization target will only include capital mobilized for the focus countries
76	Is there a range in the ratio of grant to additional funding that this program is targeting or have seen?	No range, we are looking for ideas/activities that can raise the maximum amount of additional funding, with help of CATALYZE funds
77	Grant funding would likely unlock several forms of funding beyond that from GP (ie. Additional follow on equity) Are you open to applicants providing the leverage ratio as a range or base case (expected funding with high degree of confidence) vs upside case (additional funding in early discussion that lesser degree of high confidence) ?	Both cases should be included, along with as much information as possible to share at this stage. (e.g. letters of intent or any other documentation to support the 'degree of confidence')
78	If selected, what would be the timing in grant award, closing and disbursement?	Funding decision will be made within 3-4 weeks of submission deadline (May 10). Typically, it takes another 4-6 weeks to complete all documentation before submission to USAID for consent to contract. Once USAID consent is received, we can execute a contract the next day. Disbursement will be based on the funding needs of the activity and achievement of all the objectives.
79	Timing: When will winning bidders be notified? And will all winning proposals be notified at once or on a rolling basis?	See q. 74. All winning bidders will be notified at once.
80	Gantt Chart: Could you help us better understand what you would like to see (i.e. level of granularity and content) for the Gantt Chart? We are a private equity applicant so this is a bit disconnected from what we might otherwise provide to a prospective funder.	A Gantt chart provides a simple visualization of the project tasks and key activities over time. It's fine to use another project management template that achieves the same objectives.
81	Annexures: For annexures is it ok to create links within the core document to our annexure materials or do the annexure materials need to be directly attached to our submission email? I ask just in case the file is too large to send/receive in the latter scenario.	Clearly annotated links are okay in place of large attachments
82	Available Funding Amount: Is the total amount available for this TOR \$2m and this amount will be	Total amount of funding available for this activity is US\$2 mil. This amount will be allocated across the winning proposal(s).

No	Question	Answer
	allocated in some proportion to the winning proposal(s) or is Catalyze able to allocate more than \$2m in connection with this FON (e.g. multiple winning proposals can each receive \$2m)?	
83	Is it necessary that all private capital be raised prior to receiving the winning bid from Catalyze?	It is not necessary that all private capital be raised prior to receiving the award. Your proposal should include as much information (including any letters of intent from investors, or other forms of documentation) to substantiate the amount of capital mobilized.
84	Just to confirm - the mobilization calculation is based just on the "first turn" of private capital raised in connection with the Catalyze funding and not subsequent funding that might come through?	There is no restriction from including subsequent funding so long as it is mobilized within the life of the project.
85	If certain of our countries that we intend to target are outside the scope of the FON will Catalyze be willing to employ a ring-fencing mechanism whereby we ensure that Catalyze Capital is used for countries that fall within the mandate?	Yes, but the capital mobilization target (and all other activity targets) will only include capital mobilized for the focus countries
86	Can Catalyze provide commercially reasonable assurance that it will not share proprietary information (e.g. investment strategy) from submission materials with other parties?	Palladium is committed to preserving the confidentiality of all proprietary information and will not share investment strategies with other bidders during the proposal review phase.