

# Request for Proposal (RFP)

# **Tigray Rapid Assessment**

Subject RFP #:	RFP-CATALYZE-Ethiopia-2020-0102 (RE-ADVERTISED 2nd Time)	
RFP Re-Issue Date:	May 7, 2021	
Terms of Reference / Specifications:	Tigray Private Sector Assessment	
Project	CATALYZE: MS4G	
The Company	Palladium International, LLC	
Country of Performance	Ethiopia	
Closing Date and Time	sing Date and Time May 21, 2021 at 5pm EAT	
Questions Deadline	May 14, 2021	
	Accepted at <u>EthiopiaMS4G.procurements@thepalladiumgroup.com</u> N/A	

Thank you for your interest in the above procurement. As implementer for the Project, Palladium invites you to submit a proposal for the terms of reference below. Your proposal must be valid for the Validity Period.

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.

We look forward to your response. If you have any queries, please do not hesitate to contact us at **EthiopiaMS4G.procurements@thepalladiumgroup.com**.

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.

#### 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.

#### 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;
- the first page of this RFP; and (b)
- the Schedule (c)

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 arise 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.

# Schedule - Terms of Reference

#### **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. For the past 50 years, we have been making Positive Impact possible. With a team of more than 2,500 employees operating in 90 plus countries and a global network of more than 35,000 technical experts, Palladium has improved - and is committed to continuing to improve - economies, societies and most importantly, people's lives.

# Background

CATALYZE Market Systems for Growth (MS4G), a US Agency for the International Development (USAID) funded project, 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.

CATALYZE is a \$250 Million, 8-year program 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. Within CATALYZE, MS4G is a 4-year program.

MS4G is designed to support the growth of private sector enterprises in Ethiopia and uses blended finance as a lever to mobilize capital from both domestic and foreign private sources. Overall, the project will work in areas of business growth and job creation, workforce development and skills matching, and business enabling environment. The project will support private enterprises across multiple sectors with the expectation to mobilize capital, support business growth and create jobs, develop skills to access jobs in growing sectors, including in the digital economy, increase exports from Ethiopia, and increase two-way trade with the US.

## Project

Market Systems for Growth (MS4G) is an activity designed to support the growth of private sector enterprises in Ethiopia with a transactional focus utilizing blended finance as a lever to mobilize capital from both domestic and foreign sources.

In alignment with the activity's mandates, MS4G seeks to assess the post-conflict challenges facing the private sector in Tigray and provide recommendations on how to best to help reconstitute business activity to preconflict levels. Prior to planning a post-conflict private sector development program, MS4G seeks to understand the current state of the private sector and its environment in the Tigray Regional State. The assessment will scan the post-conflict business ecosystem, enabling environment, and macro and micro economic conditions along with a review of key economic sectors, analysis of supply chains, and assessment of labor market supply and demand.

# Purpose of Request for Proposal

Under this RFP, MS4G will hire a consultant to assess the private sector constraints and challenges in postconflict Tigray. Offerors will propose a strategy to survey businesses operating in Tigray to collect key data on their ongoing operations. Offerors must specify how the survey is conducted (electronically, by phone, in person, etc.) and propose the methodology.

# Type of Contract

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

#### **Anticipated Contract Term**

The period of performance will be approximately three (3) months after subcontract execution.

Place of Performance: The activities to be performed under this contract will take place in Tigray, Ethiopia.

# Timeline

Submission due date is May 21, 2021, required validity period of quotation is 60 days, period in which Palladium will issue a contract is 30-60 days.

#### **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:
  - 1. Firm contact info and address
  - 2. Type of company or organization
  - 3. DUNS Number (Company must have a DUNS number or obtain one within 5 days of being notified of selection)
  - 4. Signed by an authorized representative of the company
- (b) Background on the 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 would execute this project including a timeline (max 2 pages)
- (f) Description of relevant projects previously performed by the firm, demonstrating expertise (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. Financial Proposal

Offers must submit a cost proposal. CATALYZE will provide a budget template upon request through **EthiopiaMS4G.procurements@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.
- The selected offeror will be required to complete the Due Diligence Questionnaire (attachment 1) and provide a DUNS number 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. 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 Criteria

Two-stage procedure is utilized in evaluating the proposals, with evaluation of the technical proposal being completed prior to any price proposal being opened and compared. Only proposals that achieve above the minimum of 351 points (i.e., at least 70% of the total 450 points) on the substantive presentation shall be reviewed for price.

# A. Technical Evaluation

Form	Summary of Technical Proposal Evaluation	Scores	Points Obtainable
1	Firm Expertise and Experience	30%	135
2	Proposed Methodology, Approach and Implementation Plan	30%	135
3	Management Structure and Key Personnel	40%	180
	Total	100%	450

# Firm Expertise and Experience

Form 1

No	Summary of Technical Proposal Evaluation	Points Obtainable
.1	Reputation and Credibility, Reliability and Industry Standing	10
.2	Organizational Capability	20
	1. Financial stability (3 points)	_
	2. Structure: loose consortium, or one firm (5)	_
	3. Operating History and size of the firm (4)	_
	4. Previous assessment experience in Tigray (8)	
1.3	Extent to which any work would be subcontracted	15
1.4	Relevance of:	90
	1. Demonstrated expertise and experience of conducting field research for such Conflict Assessments and analyzing the data gathering (20 points)	_
	2. Demonstrated expertise and experience of identifying opportunities to support private sector and high impact (40)	
	3. Demonstrated expertise and experience of assisting the planning of prioritized private sector revising action plans (30)	_
	Total Points for Form 1	135

# Form 2: Proposed Methodology, Approach & Implementation Plan

No	Technical Evaluation II	Points Obtainable
2.1	To what degree does the candidate understand the task?	10
2.2	Have the important aspects of the task been addressed in sufficient detail?	15
2.3	Are the different output components of the assessment adequately weight relative to one another?	20
2.4	Is the conceptual framework and methodology proposed appropriate and sufficient?	60
2.4	Is the proposal clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	30

# Form 3: Management Structure and Key Personnel

No	Member	Points Obtainable
3.1	Team Leader	65
	1. Experience in post-conflict assessment15	
	2. Experience in post-conflict data collection20	
	3. Experience in post-conflict Africa15	
	4. Experience and knowledge of the Tigray region10	
	5. Language qualification –05	
3.2	Deputy Team Leader	60
	1. Experience in post-conflict assessment10	
	2. Experience in post-conflict data collection15	
	3. Experience in post-conflict Africa10	
	4. Experience and knowledge of the Tigray region10	
	5. Language qualification –10	
3. 3	Lead Coordinator	55
	1. General Experience with Post conflict support of women (5)	
	2. Experience within the financial sector 10	
	3. Experience of relevant assessments 10	
	4. Experience supporting Private Sector in Post-Conflict areas 15	
	5. Language Qualifications 10	
3.4	Other Requirements	

Total points for technical proposal Form 3180		
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# B. Financial Evaluation

Rating of Technical Proposal (TP): TP Rating: Technical marks obtained by the offer × 70%

# Rating of Financial Proposal (FP)

- FP Rating: (Lowest Priced Offer/Price of Offer Being Reviewed) × 30%
- Total Combined and Final Rating of the Proposal
- TP Rating + FP Rating
- Financial evaluation will be done for the companies scoring minimum 490 marks on technical evaluation.

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.

#### Instructions to the Offerors

The following items are required to be submitted as part of the proposal:

- C Technical Proposal & Management Approach
- O Personnel CVs
- Past Experience Information/Capability Statement
- Evidence of Contractor Responsibility: Overview of Financial Resources, Licensing, Bank Guarantees, Credit History etc
- Past Performance Information and Reference Information (Contact/Program Name etc)
- Signed Certifications: Terrorism, Anti-Kick Back, Debarment, Foreign Corrupt Practices Act
- Past Performance or Trade References]

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 and may be required to submit for USAID Partner Vetting.

# Scope of Work

### I. Purpose

The purpose of the assessment is to identify current private sector constraints and challenges created by the conflict in Tigray that MS4G could productively address. The assessment will guide MS4G to determine the potential type of support and activities that it could design and implement to support the growth of private sector enterprises either in or connected to the Tigray economy.

A post-conflict private sector landscape can be generally characterized by physical and macroeconomic shocks that manifest themselves in the loss of assets, destabilization of property rights, shrinking purchasing power, disruption of critical business supply chains, distortion of the marketplace, damage to critical physical infrastructure (power, telecommunications, water, roads etc.), and the reduction in foreign and local investments. These disruptions cause severe challenges to the well-being of communities and the return to normalcy.

In an aftermath of conflict, the private sector's role can extend beyond its narrow impact in providing jobs and generating income – it can also lift some burden from government and help lend legitimacy to the state. The private sector can deliver tangible dividends to the wider population through investments that not only create jobs, but also provide basic and new services, introduce innovative approaches to job growth and supply chain strengthening, and generate tax revenues for reconstruction efforts<sup>1</sup>. To help the private sector meet these challenges, build peace, and secure development, it is important to understand the interrelationships it can have to politics, security, institutions, and development. Hence, the reconstruction and reconstitution of the private sector in a post-conflict situation is critically important to any community affected by conflict.

As a result of the ongoing conflict in the Tigray, the region has suffered from a complete shutdown in communications, electricity, and essentially all business activities. This will likely result in private enterprises ceasing operations, forcing many businesses to permanently close, leaving many people unemployed and causing a discontinuation in the availability of goods and services to the public. As there are no formal, broad communications in the region, the severity of business interruption and related issues from the conflict on private enterprises is unclear.

To understand the current dynamics that exist in Tigray, it is essential that **MS4G conduct a rapid assessment of the region's business landscape**. While there is limited information on the region's private sector, it is generally believed that Tigray hosts some of the largest firms in Ethiopia. SMEs mostly concentrate in the trading and services sector and may have been significantly impacted by the conflict.

Conditions in conflict-affected countries create additional dimensions of difficulty for businesses. While a conflict may have ended, it does not mean that the business operating environment has regained normalcy. Businesses may continue to face many of the same constraints and challenges that they encountered during a time of conflict, as well as new constraints determined by changes in power and authority over the operating environment. A country's ability to achieve sustained and permanent growth in the aftermath of conflict has proven to be a particularly difficult and lengthy process. The deprivations in which the overall economy and institutions are left as a result of a conflict poses a difficult environment for recovery. By understanding these difficulties, a private sector development strategy will be better positioned to stimulate business recovery and growth.

<sup>1</sup> The Role of The Private Sector in Fragile and Conflict-Affected States (July 2011)

## **II.** Assessment Requirements

**Topic 1:** Analysis of private enterprises in the region of Tigray with a breakdown by business type, sector or industry businesses involved; the size of the business (in terms of number of employees; as well as ownership structure such as sole proprietary, PLC or share company or endowment company and FDI. Best efforts to include 30% of sample of women-owned businesses.

**Topic 2:** The assessment should also address post-conflict business challenges such as (but not limited to): (1) access to finance; (2) access to supply chain; (3) logistic and transportation; (4) access to power and utilities; (5) workforce; (6) availability of infrastructure such as access to electricity and telecommunications (internet, phone).

**Topic 3:** Types of support currently available for the business community, such as the involvement of regional and or federal government support, Chamber of Commerce and other sectoral associations.

**Topic 4:** Donor mapping as to which donor is doing what and who is the implementation party. The international and donor communities that may already have presence in Tigray.

**Topic 5:** Analysis of the financial industry in general, the financial institutions in the region and their service offer and the challenges to deliver service to businesses. Service offer analysis to including remittance & money transfer services.

**Topic 6:** Analysis of the macroeconomic effects of the recent conflict, potential risks for investments in the region.

**Topic 7:** Evaluation of business linkages in the region to strengthen and re-establish the supply chain of goods. These include, but are not limited to food, transport, logistics and other service providers that are also highly impacted by the conflict. The provision of support to enterprise growth (both in and outside of the region) can promote stability and development in conflict-affected of Tigray.

**Topic 8:** Recommendation of way path forward and specific support the business community requires to support private sector development in a post-conflict Tigray and help design activities to support the revitalization of businesses and their long-term growth and success, while avoiding exacerbation of grievances or other disparities that may threaten emerging peace and cooperation.

# III. Key Deliverables

The Contractor shall submit the following deliverables on the timeline proposed below.

### • In-briefing

- the evaluation team will meet with the MS4G team for introductions and to discuss the team's understanding of the assignment, initial assumptions, evaluation questions, methodology, and work plan, and/or to adjust the SOW, if necessary
- Work plan and assessment design, the Contractor shall complete and present a draft work plan for the evaluation to MS4G, which includes a timeline of the proposed schedule with specific activities outlined in a Gantt Chart format
  - The work plan will include:
    - 1. Draft schedule and logistical arrangements
    - 2. Assessment milestones
    - 3. Anticipated schedule of assessment team data collection efforts
    - 4. Locations and dates for piloting data collection efforts, if applicable
    - 5. Members of the evaluation team, delineated by roles and responsibilities

6. Proposed assessment methodology including selection criteria for comparison groups, if applicable; and

- 7. Assessment Report outline.
- Detailed assessment design matrix that links the assessment questions from the SOW to data sources, methods, and the data analysis plan
  - Draft questionnaires and other data collection instruments
  - List of potential interviewees and sites to be visited and proposed selection criteria and/or sampling plan (must include sampling methodology and methods, including a justification of sample size and any applicable calculations)
  - Stakeholder validation workshop
  - Limitations to the assessment design; and
  - Dissemination plan (designed in collaboration with MS4G and USAID).

### Inception report

• The assessment team will present findings from an initial desk review and/or examination of data to date.

### • Interim reports (weekly reports and as needed)

- The assessment team is expected to hold periodic briefing with MS4G on the status of the assessment, including potential challenges and emerging opportunities.
- The team will also provide the MS4G with periodic briefings and feedback on the team's findings, as agreed upon during the in-briefing. If desired or necessary, weekly briefings by phone can be arranged.

### • Preliminary report

• The team is expected to hold a preliminary presentation [in person/by virtual conferencing software] to discuss the summary of findings and conclusions with MS4G and to draft collaboratively any requested recommendations. Any presentations or workshops will be scheduled as agreed upon during the in-briefing.

### • Final report / presentation

- The team is expected to hold a final presentation [in person/by virtual conferencing software] to discuss the summary of findings, conclusions, and recommendations, with MS4G. This presentation will be scheduled as agreed upon during the in-briefing.
- The final report (to be provided in both Word and Power Point) should include the following
  - Abstract
  - Executive Summary
  - Assessment Purpose
  - Background on the Context of the Assessment

# IV. Timeline

Item	Deliverable	Timeline
1	Briefing with MS4G team	Within 3 days from award
2	Work plan and assessment design	Within 7 days
3	Inception Report	Within 14 days
4	Weekly Report	Due on the first business day of every week
5	Preliminary report	Week 6
6	Final Report	Week 7
7	Presentation and validation workshop	Week 8

# V. Location. The Regional State of Tigray with inclusion of at least five economic zones of Mekelle, Adigrat, Aksum, Adwa and Maychew.

The Company must complete Due Diligence Questionnaire if selected for Award within 5 days (attach Due Diligence Questionnaire)

The Company must have a DUNS number or obtain one within 5 days of being notified of selection (attach instructions for obtaining DUNS number)