

Request for Proposal (RFP)

Subject RFP #:	RFP-CATALYZE-Ethiopia-2021-0162
RFP Issue Date:	May 21, 2021
Terms of Reference / Specifications:	Business Advisory Service (BAS) Rolling Tender
Project	CATALYZE: Market Systems for Growth (MS4G)
The Company	Palladium International, LLC
Country of Performance	Ethiopia
Closing Date and Time	Open Enrollment until April 30, 2022, 11:59PM, Nairobi time (UTC +3)
Question Deadline	By June 04, 2021 at 11:59PM, Nairobi time (UTC +3) <input checked="" type="checkbox"/> Accepted at EthiopiaMS4G.procurement@thepalladiumgroup.com <input type="checkbox"/> N/A
Bidders' Conference	<input checked="" type="checkbox"/> Virtual Bidders' Conference on June 25, 2021, at 4:00PM, Nairobi time (UTC +3) . Register by sending an email to EthiopiaMS4G.procurement@thepalladiumgroup.com with "BAS ROLLING TENDER WEBINAR" in the subject line.
Detail of Submission	Submissions will be accepted: <input checked="" type="checkbox"/> Electronically: email to to EthiopiaMS4G.procurement@thepalladiumgroup.com <input type="checkbox"/> In hard copy (sealed bids)
Offer Validity Period	3 months

Palladium International, LLC is the implementing contractor of CATALYZE: Market Systems for Growth, an activity funded by USAID. Throughout this Tender, reference is made to Market System for Growth (MS4G), which is the activity located in Addis Ababa, Ethiopia. Any reference made to MS4G is for the benefit of identifying the Addis Ababa-based team implementing the activity (or project).

If you are Business Advisory Services Provider (BASP) operating in Ethiopia and have core capabilities in supporting enterprise development of small, medium, and large companies, especially (but not limited to) in manufacturing, agriculture, agro-processing, services, ICT/Digital, and WASH sectors, you are hereby invited to submit an application for consideration under the terms and conditions of this Tender as described herein. MS4G reserves the right to accept or reject any application at its sole discretion.

Business Advisors supporting Women-owned, and women operated enterprises as well as youth-owned SMEs are encouraged to apply. Business Advisors with offices in cities within the Amhara, Oromia, SNNPR, and Tigray regions, are highly encouraged to apply.

This rolling Tender closes on April 30, 2022, at 11:59 PM, Nairobi Time (UTC +3). A virtual webinar will be held for bidders on June 25, 2021 at 4:00 PM Nairobi Time (UTC +3). Register by sending an email to EthiopiaMS4G.procurement@thepalladiumgroup.com with "BAS ROLLING TENDER WEBINAR" in the subject line. Questions may be submitted to the same email address.

You are encouraged to submit your application proposals anytime within the open period. Evaluation of Tender submissions will be conducted immediately upon receipt. A response will be communicated to each respondent within 10 days of submission and after each evaluation if they have been shortlisted for subcontracting.

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.

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.

Project Background

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. It will have an immediate transactional focus on mobilizing liquid domestic capital and foreign investment for larger enterprises, while improving access to the resources required by high-potential small and medium enterprises (SMEs) to grow and create jobs. 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 will tackle capacity gaps through the use of BASPs to drive business growth enable investors and financial service providers to meet these enterprises' evolving financial needs through the MS4G Facility. The focus will be on women-led high-growth companies.

Purpose

The purpose of the RFP is to select five (5) to ten (10) business advisory service providers (BASPs) to support growth-oriented companies in Ethiopia in increasing their top-line growth of sales and revenue.

A complete scope of work is attached as Annex A.

Type of Contract

Palladium intends to issue pay-for-performance (P4P) subcontracts to the selected offeror.

Anticipated Contract Period of Performance

Contracts will be offered to winning bidders for a period of **12 months** with the option for renewal based on performance and the availability of funding, at the sole discretion of MS4G.

Place of Performance

The activities to be performed under this contract will take place in Ethiopia.

Key Deliverables and Timeline

No.	Deliverables	Due Date
1	Business diagnostics report	Within 15-30 days from contract date depending on the number of firms serviced
2	Recommendation for top-line growth and implementation plan	Within 30 days from business diagnosis report submission
3	Quarterly report	Quarterly basis from date of submission of the report
4	Final Report	12 months after the contract is awarded

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 in X, Y, and Z (max 4 pages)
- (g) Contact details for three referees (max 1 page)
- (h) Executive summary of project reports for commercial smallholder projects with linkages to commercial off-takers (max 3 report submissions, max 2 pages each)
- (i) 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 EthiopiaMS4G.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 (ETB)
- 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

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.

3. 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. 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.

	Requirements	Supporting Documents
a.	Must be a registered legal entity in Ethiopia for a minimum of one year	Copy of certificate or articles and memorandum of associate
b.	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	N/A

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

	Evaluation Criteria	Documents Evaluated	Points
1	Geographic coverage, sector coverage and firm profiles	Reference	10
a.	BASP is majority women-owned, or women-led or managed or is Youth-owned or led	Shareholder Agreement or equivalent	5
b.	Evidence of local presence in secondary cities or demonstrated ability to operate in secondary cities in addition to Addis Ababa;	Proof of office rental agreement in secondary cities	3
c.	While MS4G is sector agnostic, preferred sectors including agriculture (various business types), exports, digital economy, and WASH;	Reference to the service provided	2
2	About Enterprises		15
a.	Identify and provide a profile of a minimum of five (5) but not more than twenty-five (25) growth-oriented companies. Companies must meet the minimum requirement as per SoW.	List of firms and contact information	10
d.	Among enterprises supported, at least 30% are women-owned or women-led businesses. Women owned means 50% or above ownership	Shareholder agreement or equivalent	5
3	Key Personnel		10
a.	Proposed team-lead CVs demonstrating at least five years' experience supporting enterprises sales, marketing and distribution related activities	List companies, service and performance and reference	4
b.	CVs of two key personnel demonstrating ability to support and carry out the SoW	CVs	6
4	Past Performance		30
a.	Demonstrated experience in helping growth-oriented firms increase their sales and revenue, including evidence and description of these assignments.	List companies, service and performance and reference	15
b.	An added advantage shall be placed on past experiences of helping to expand sales and revenue of businesses in secondary cities, especially those involved in agriculture, WASH, digital economy and export-oriented firms in the past three years.	List companies, service and performance and reference	15
5	Technical proposal		35

a.	Provide proof of firm's commitment to engage and participate in the proposed enterprise development program	Signed Indication of Interest from each firm	20
b.	Approach and Tools to diagnose selected firm.		10
c.	Workplan		5
	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 (select one: Non profit entities – Cost Principles in 2 CFR 200 Subpart E or For profit entities – 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.

Attachment

Attachment 1- Due Diligence Questionnaire

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 EthiopiaMS4G.procurements@thepalladiumgroup.com;

ANNEX A: Scope of Work

1. Objective

Selected BASPs will assess each company, propose business advisory services to achieve strategic objectives, and sales and revenue growth goals. Efforts may include, but are not limited to, strategy work, business development, capacity building, mentoring, coaching, and management development.

2. Activities: Selected BASPs will be responsible for the four activities described below.

- a. Identify businesses. Each BASP must select at least five (5) enterprises to support. Enterprises must be growth oriented. A growth-oriented enterprise is defined as a company with three or years of active business operation with progressive growth and a desire to growth sale and revenue goals by at least 10% or more over the next 12 months. Furthermore, the enterprise must have proven demand for its product and services as demonstrated by past sales turnover. This activity will be linked to another MS4G intervention and facility to ensure companies get the necessary capital to accelerate their growth.
 - i. *Gender Parity: At least 50% of the companies must be women-owned or led.*
 - ii. *Youth-Parity: Some of the enterprises must be youth-owned or youth led.*
 - iii. *Geographic Diversity: 50% percentage of the enterprises supported should be based or operate in secondary cities from the following regions: Amhara, Oromia, SNNP or Tigray.*
 - iv. *Firm Commitment: BASPs should obtain expression of interest from participating enterprises, the firm's willingness to contribute 25% of BAS cost and cooperate in services implementation.*
 - v. *Revenue Base: Preferred enterprises with minimum annual gross revenue of 3.5 Million Birr.*
- b. Firm-specific Operational and Financial Diagnostic. Identify an appropriate business diagnostic tool and conduct firm-level business diagnostic. Take stock of the current situation, identifying gaps, critical issues and immediate future needs to drive business improvement and gain efficiency. The diagnostic must assess and identify challenges and opportunities that need to be addressed by the company to grow its sales and revenue.
- c. Based on the diagnostic, submit a proposal for services to be rendered. The firm must approve the proposed changes required to achieve the objective of sales and revenue growth. The BASP must recommend the strategy, workplan and timeline to achieve such objectives. The technical support must produce at minimum 10% sales and revenue growth annually.
- d. Capacity Support. The BASP should also provide short-term capacity building or support as needed. Technical and managerial skills training, coaching and mentoring addressing the specific needs of the enterprise may be provided in order to accelerate growth. All training, mentoring, and coaching must be practical and specific on the actual challenges confronting the business, as opposed to more traditional classroom-based theory.

3. Acceptance of Deliverables

Deliverables will be reviewed by the Technical Manager (or his/her designee) for completeness before being accepted and approved for payment.

No.	Deliverables	Acceptance Criteria
1	Business Diagnostics	This is 3-5 pages diagnostic report included company profile
2	Top-line growth Recommendation Report	This is 15-25 pages recommendation for the 12-month period to reach top-line growth of sales and revenue (domestic and/or export) target goals. The report also must include implementation plan, timeline and BASP level of effort agreed by the enterprise.
3	Quarterly Performance Report	Documented progress report as outlined in the implementation plan (Deliverable 2) for each participating enterprise. Must include data on quarterly revenue, sales, volume and value of exports, cash flow, and employment for each enterprise.
4	Final Report	Final performance report. This report should summarize progress against each business' implementation plan, data on revenue, sales, volume and value of exports, cash flow, and employment for each enterprise, as well as key learnings from implementation.

Payment Schedule

- Total service payment for deliverables 1-4 stated below is capped at \$10,000 USD per enterprise.
- The enterprise is expected to contribute 25% of cost related to the services. The contribution can be provided in cash or in-kind.
- The remaining 75% will be covered by USAID CATALYZE Ethiopia: MS4G as per the schedule below.
- If and when capital is raised, enterprise shall pay success fee of 2.0% for capital raised (credited towards the 25% cost share).

Payment per firm

No.	Deliverables per Enterprise	Percentage
1	Enterprise diagnosis and recommendation	20.00%
2	Four quarterly performance report	5.00%
3	Final Report	5.00%
	Success Fee payment based	
4	Year-over-year revenue growth of 10% or more	70.00%
	Total	100%