

## Amendment to Request for Proposal

**Amendment number:** 1

**Reference Request for Proposal Number:** RFP-CATALYZE-217772-PSD-2022-0271

**Amendment effective date:** April 12, 2022

### **Description of Amendment:**

1. This amendment serves to modify the eligibility requirement for this RFP from Data Universal Numbering System (DUNS) number to Unique Entity Identification (UEI) Number. The Unique Entity Identifier, or the UEI, is **the official name of the “new, non-proprietary identifier” that replaced with the D-U-N-S® number**. All U.S. and foreign organizations which receive a grant or subcontract with a value of \$25,000 and above are required to obtain a UEI number prior to signing of the agreement/contract.

Note: General Services Administration (GSA) has developed a useful interactive PDF tool that guides through the most common scenarios about UEI

([https://www.fsd.gov/sys\\_attachment.do?sys\\_id=af05f8fb1b44851006b09796bc4bcb6d](https://www.fsd.gov/sys_attachment.do?sys_id=af05f8fb1b44851006b09796bc4bcb6d))

## Request for Proposal (RFP)

Subject RFP #:	RFP-CATALYZE-217772-PSD-2022-0271
RFP Issue Date:	March 11, 2022
Terms of Reference / Specifications:	Technical Business Advisory Service Provider Network
Project	CATALYZE Sri Lanka Private Sector Development
The Company	Palladium International, LLC
Country of Performance	Sri Lanka
Closing Date and Time	Proposals will be reviewed and awarded on a rolling basis, with submission accepted through September 30, 2022, 18:00 Sri Lankan time, or until amended
Questions Deadline	<input checked="" type="checkbox"/> Accepted at <a href="mailto:SriLankaPSD.Procurement@thepalladiumgroup.com">SriLankaPSD.Procurement@thepalladiumgroup.com</a> by March 21, 2022, 14:00 Sri Lankan time (SLT) <input checked="" type="checkbox"/> March 23, 2022, On-line meeting link to be shared for offerors interested in the following services.
Bidders' Conference	<ul style="list-style-type: none"> <li>• ERP Solutions 09:00 – 10:00 SLT</li> <li>• Digital Marketing Services 11:00 – 12:00 SLT</li> <li>• Products/Systems Certification 14:00 – 15:00 SLT</li> <li>• Channel Management Services 16:00 – 17:00 SLT</li> </ul>
Details for Submission	Submissions will be accepted: <input checked="" type="checkbox"/> Electronically: email to <a href="mailto:SriLankaPSD.Procurement@thepalladiumgroup.com">SriLankaPSD.Procurement@thepalladiumgroup.com</a>
Offer Validity Period	3 months

Thank you for your interest in the RFP for CATALYZE Sri Lanka Private Sector Development program (PSD) Business Advisory Service Providers (BASP) Incentive Program. 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: Scope of Work and Standards**. Your proposal must be valid for the Validity Period. Please ensure that questions are submitted before the Questions Deadline stipulated above. Answers to questions shall be addressed at the Bidders Conference as stipulated above. Please refrain from contacting USAID's personnel or representatives from the US Embassy for Sri Lanka and Maldives.

Please submit your proposal in accordance with the Details for Submission above by the Closing Date and Time. The CATALYZE Sri Lanka Private Sector Development program (PSD) encourages offerors to submit their proposals as early as possible, as they will be **reviewed and awarded on a rolling basis**. Palladium aims to make award determinations within *one month* of receiving complete proposals, however time to award may increase based on number of proposals received. Palladium reserves the right to go back to offerors with questions and/or clarifications on their proposal. Discussions with one offeror does not obligate Palladium to open discussions with all offerors.

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 unauthorized 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.

#### 18. Cost Proposal Definitions

Offerors are requested to note the following definitions:

Cost proposal = Combination of excel budget & accompanying budget narrative

Budget = Excel spreadsheet that offerors submit as part of the cost proposal.

Rates = When submitting cost proposal, please submit customer facing commercial rates inclusive of taxes.

# 1. RFP Terms of Reference

## 1.1. 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.

## 1.2. Project Background

The CATALYZE Sri Lanka Private Sector Development (PSD) program is a 5-year activity designed to bolster Micro, Small- and Medium-Enterprises (MSMEs) in high growth potential sectors in Sri Lanka. The PSD program will strengthen MSME products and services in high potential growth sectors including tourism, information and communication technology (ICT), apparel, commercial care and food processing. These sectors were selected for their potential to generate growth opportunities for MSMEs and for women in the workplace and as entrepreneurs. For more information, please refer to **Annex A – Scope of Work and Standards – Section 4.1 – Project Background**.

## 1.3. Purpose

The purpose of this Request for Proposals (RFP) is to offer support to establish a network of Business Advisory Service Providers (BASPs or Service Provider) providing commercial services to Micro, Small and Medium Enterprises (MSMEs) to strengthen capacity and competitiveness in target sectors (Please refer **Annex C: MSME & Sector Definitions**). Services may be provided to eligible MSMEs identified directly by the BASP, or through collaborations and partnerships facilitated by PSD with financial institutions, umbrella organizations, professional associations, and lead firms. PSD seeks proposals under the following separate service categories:

- a) Enterprise Resource Planning (ERP) Solutions for MSMEs
- b) Digital Marketing Services for MSMEs
- c) Products/Systems Certification for MSMEs
- d) Channel Management Services for MSMEs

Through this RFP, PSD will offer a combination of performance-based incentives and service cost payments that will cover a proportion of the cost of providing specific services to MSMEs. Our goal is to build the capacity and competitiveness of MSMEs, now and into the future, by catalyzing a sustainable market for the provision of Business Advisory Services to MSMEs. Through this RFP, our aim is to demonstrate the value that can be created if BASPs adapt the way they provide services for MSMEs, and if MSMEs and partners can expand their willingness to pay for such services. Additional details can be found in **Annex A: Scope of Work and Standards**

## 1.4. Type of Contract

Offerors whose proposals receive an overall evaluation score of 70 or higher will be issued an Indefinite-delivery, indefinite-quantity (IDIQ) type umbrella contract with a specified order ceiling and budget. After establishing an IDIQ umbrella contract with a Service Provider, PSD will agree services to be provided to specific MSMEs or groups of MSMEs under subsequent Task Orders, by issuing Scopes of Work. Cost Proposals submitted as part of this RFP response will be used to establish and justify the duration of IDIQ contract, order ceiling and subsequent Task Order budgets. Palladium intends to issue multiple awards to BASPs operating in each service category. The anticipated number of awards, expected services, and order ceiling, i.e., the maximum payment by PSD, for each service category per MSME is detailed in **Annex D - Service categories, core services & payment ceilings schedule**.

Service Providers submitting proposals that meet a satisfactory evaluation score will be granted an IDIQ contract and will then be eligible to negotiate Task Orders (TO) to provide business advisory services to eligible MSMEs. Individual TO amounts will be determined based on the rates included in the IDIQ cost proposal. Note that issuance of an IDIQ subcontract in no way obligates Palladium to issue task orders up to the ceiling total.

For more information on IDIQ subcontracting and task orders, please refer – [Understanding USAID Awards<sup>1</sup>](#).

## 1.5. Anticipated Contract Period of Performance

IDIQ Contracts will be offered to winning bidders for a period of up to 12 months with the option for renewal, based on performance and the availability of funding, at the sole discretion of PSD. The type of service to be provided under subsequent Task Orders is described in **Annex D: Service categories, core services & payment ceilings schedule**.

## 1.6. Place of Performance

The activities to be performed under this contract will take place in Sri Lanka. Services can be provided by Sri Lanka registered companies (including subsidiaries of foreign companies based in Sri Lanka).

## 1.7. Timeline

This RFP closes on 30<sup>th</sup> September 2022. Submitted proposals will remain valid for a period of three months from date of submission. Palladium will issue an IDIQ subcontract to the qualifying firm (s) within 30 – 45 days from the closing date or receipt of a completed proposal. The start date for the assignment is anticipated from April 2022.

# 2. Instructions to Offerors

Offerors are required to submit an IDIQ proposal as described below. The technical and cost proposals must be submitted separately by email no later than the time and date specified on the cover page to the prescribed email address only. Ensure all required documents are included as attachments to the application submission email. No proposal materials submitted via external links (e.g. Google Drive, WeTransfer, or Dropbox.com, etc.) will be considered. Offerors will receive an acknowledgement receipt by email upon submission of proposal from PSD.

Interested offerors shall submit electronic applications by email to:

[SriLankaPSD.Procurement@thepalladiumgroup.com](mailto:SriLankaPSD.Procurement@thepalladiumgroup.com) using the following subject line, “RFP # - Proposal - Your Institution’s name - Category of Service”.

## 2.1. Proposal

### 2.1.1. Technical Proposal

In their Technical Proposal, Offerors will be expected to propose how they will identify and serve eligible MSMEs that would benefit from the uptake of prescribed business advisory services. Please see **Annex B - IDIQ Proposal Cover Sheet** and **Attachment 1 - Technical Proposal Application Form** in standard format. Offerors are strongly encouraged to utilize these templates.

For the technical proposal (in Word/PDF), the offeror must submit:

- a) Cover letter with the following information:

---

<sup>1</sup> [https://www.usaid.gov/sites/default/files/documents/Module6\\_UnderstandingUSAID Awards\\_final.pdf](https://www.usaid.gov/sites/default/files/documents/Module6_UnderstandingUSAID Awards_final.pdf)

- i. Company Contact Information and Address
  - ii. Type of Company or Organization
  - iii. Data Universal Numbering System (DUNS) number (Offeror 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) Completed Proposal of no more than 10 pages, with the following sections:
- i. **Technical Competence** (3 pages maximum) - Offerors should detail their organization's relevant technical experience and expertise in offering the prescribed services. This section should include clients and projects from the past three years showcasing relevant experience and successful project delivery.
  - ii. **Personnel** (2 pages maximum) - Offerors should summarize key personnel who will lead activities under this program, showcasing relevant skills, subject matter expertise and experience.
  - iii. **Core Services** (3 pages maximum) - Offerors should list and detail the products/services they plan to offer to eligible MSMEs under this program, and a management and monitoring plan that will allow them to collect required monitoring data.
  - iv. **MSME engagement approach** (2 pages maximum) - Offerors should detail their proposed approach towards MSME outreach, highlighting how the offeror intends to onboard and engage with MSMEs and convert them into new clients upon successful application. Offerors are encouraged to detail how they will cater to women-owned, or women-led enterprises.

Please also refer to **Annex C: MSME & Sector Definitions** for more information.

- c) The following application annexes:
- i. CVs of key personnel and staff who will be substantially involved in service delivery under subsequent Task Orders. Please see **Attachment 2 - CV Template**. Offerors are strongly encouraged to utilize this template.
  - ii. All supporting documentation specified below in the pass/fail evaluation criteria.

## 2.1.2. Cost Proposal

Offers must submit two separate elements of the Cost Proposal:

- a) **Detailed Budget** – in Excel (unlocked), breaking out all costs associated with each of the services proposed for each of the types of clients (micro, small or medium enterprises), as relevant for their service offering. The budget should be organized according to the service provided and include all cost elements.

Cost elements may include, but are not limited to: labor hours, travel/ transport (as appropriate and with flexibility, in light of COVID-19), materials to conduct the activity, communication costs, direct and indirect rates (with justification documentation/ substantiation), or full commercial rates, and any applicable taxes or fees. If offerors have full-service package fee rates established, they are encouraged to provide those when developing their budgets, but also provide a breakdown of cost elements in terms of labor hours and other costs.

Please see **Attachment 3 - Cost Proposal Budget Template** which details the expectations for Unit Level cost breakdown. Offerors are strongly encouraged to utilize this template.

- b) **Budget Narrative** – in Word/PDF, describe all cost assumptions and provide brief explanations of the necessity and utility of all budget items. Offerors should indicate the reasonableness of all item costs by briefly comparing the proposed unit prices to current local market rates.

In their budget proposal narrative, the offeror should specify whether the labor and other costs are commercial rates (i.e., include base salary + overhead & profit) or represent base/raw costs before taking overhead and profit into account.

**Key requirements in the Cost Proposal:**

- a) Budget in Sri Lankan Rupees (LKR). When converting costs from USD to LKR, Offerors must use an exchange rate of 215 LKR/USD
- b) Accompanying Budget Narrative in Microsoft Word/PDF with all cost assumptions and explanations
- c) All prices are to be inclusive of relevant taxes (please disaggregate)
- d) Separate out unit cost and number of units (Unit Level budget items and accompanying narrative description)

**2.2. 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 each subject line. Ensure all required documents are attached to the appropriate submission email. 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.

**3. Evaluation and Award Process**

**3.1. IDIQ Proposals**

Proposals will be evaluated using a best value trade off methodology over a two-stage process. Proposals will be evaluated on a rolling basis, according to the order in which they were submitted.

- (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:

	<b>Requirement</b>	<b>Supporting Documentation</b>
(a)	Must be a registered legal entity in Sri Lanka for a minimum of two years	(i) Eligibility Screening Form ( <b>Attachment 4</b> ) (ii) Copy of supporting documentation including certificates or articles and memorandum of association.
(b)	Must not have any active exclusions from the working with the US government ( <a href="http://www.sam.gov">www.sam.gov</a> ), the UN (Sanctions List), or the US Department of the Treasury Office of Foreign Asset Control	
(c)	Company must not have a controlling interest held by a government, government agency, or agent thereof. To qualify, one or more private companies and/or individuals must have more than 51% of the ownership of the organization, and the management and daily business operations must be controlled by them.	

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

<b>Evaluation Criteria</b>	<b>Documents Evaluated</b>	<b>Points</b>
I. <b>Technical competence and subject matter expertise.</b> The extent to which the offeror demonstrates relevant experience and subject matter expertise successfully implementing similar services to those specified in their proposal.	a) Technical Proposal – Technical Competence Section b) Key Personnel CVs	30
II. <b>MSME Engagement Approach.</b> The extent to which the offeror's proposed MSME engagement approach will enable onboarding eligible MSMEs and how they will cater to women-owned and women-led enterprises.	a) Technical Proposal – MSME Outreach Section	20
III. <b>Core Services.</b> The extent to which the proposed services meet the needs of MSMEs and will build MSME capacity and competitiveness. The quality of the management and monitoring plan to enable successful collection of required monitoring data.	a) Technical Proposal – Core Services Section	30
IV. <b>Cost reasonableness.</b> The extent to which the offerors proposed service costs are reasonable and appropriate for each service proposed in relation to the scope of work ( <b>Annex A - Scope of Work and Standards</b> ) and market rates.	a) Technical Proposal b) Cost Proposal c) Cost Narrative	20
<b>TOTAL</b>		<b>100</b>

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. Offerors whose proposals receive a score of 70 or higher will be considered eligible for IDIQ award. Proposals will be evaluated on a rolling basis according to the order in which they were received.

When reviewing cost proposals, Palladium will consider the extent to which the proposed service costs are reasonable and appropriate in relation to the scope of work (Annex A - Scope of Work and Standards) and market rates, considering:

- Proposed total price
- Realism and reasonableness of the work to be performed
- Price reflects a clear understanding of the requirements of this document
- Price is consistent with various elements of the technical proposal
- Price is consistent with market rates for similar services from firms of a similar nature
- Compliance with USAID cost principles ([FAR Part 31](#))

## **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 the offerors proposal is successful, the offerors 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, Offerors 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 the offeror is bidding as part of a joint venture, partnership or similar, please make this clear in the submission. Likewise, if the offeror proposes to subcontract any part of the goods or services provision, then disclose this fact within the submission. The Company may require additional information and approval for subcontracting will not be automatic as subcontractors will be subject to Palladium's Due Diligence process.

Upon successful evaluation and award of IDIQ contract, offerors are required to submit supporting documentation for each new MSME Task Order engagement providing justification for PSD's support in subsidizing the total cost as a percentage based on the nature of the client and contract.

### **Attachments**

Please review the additional documentation and proposed contracts terms and conditions which should be given consideration when preparing your proposal. By submitting your bid, the offeror will certify that the offerors are in agreement with the contract terms and conditions as included in this solicitation and that all prices include all aspects of the required compliance with the terms and conditions of the proposed contract.

Attachment 1 - Technical Proposal Application Form

Attachment 2 - CV Template

Attachment 3 - Cost Proposal Template

Attachment 4 - Eligibility Screening Form

Palladium Business Partner Code of Conduct and Child Protection Guidelines can be downloaded in full at: <http://www.thepalladiumgroup.com/policies>, or requested through email from [SriLankaPSD.Procurement@thepalladiumgroup.com](mailto:SriLankaPSD.Procurement@thepalladiumgroup.com)

1.

## 4. Annex A: Scope of Work and Standards

### 4.1. Project Background

USAID CATALYZE (“the Project”) is a global project designed to facilitate partnerships and craft solutions to mobilize blended private sector capital and other financing to USAID partner countries. The program can work in any development sector or region, enabling USAID Bureaus and Missions around the world to efficiently facilitate investment solutions that respond to the needs of specific sectors, issues, and geographies and leverage private sector financing to achieve development objectives.

The CATALYZE Sri Lanka Private Sector Development (PSD) program is a 5-year activity designed to bolster Micro, Small- and Medium-Enterprises (MSMEs) in high growth potential sectors in Sri Lanka. The PSD program will strengthen MSME products and services in high potential growth sectors including tourism, information and communication technology (ICT), commercial care, apparel and food processing. These sectors were selected for their potential to generate growth opportunities for MSMEs and for women in the workplace and as entrepreneurs.

The PSD activity is organized around three primary objectives, interconnected with a fourth core cross cutting theme:

**Objective 1:** Improved Capacity and Competitiveness of MSMEs

**Objective 2:** Increased Access and Availability of Finance for MSMEs

**Objective 3:** Increased economic resilience to the economic impacts of COVID-19

**Cross Cutting Theme:** Inclusion and Promotion of Women

To improve capacity and competitiveness among MSMEs in Sri Lanka, PSD is developing incentive programs that aim to bridge market gaps between the supply and demand for key services offered by Business Advisory Service Providers (BASPs).

This Request for Proposals (RFP) serves as the pilot launch of a network that will incentivize BASPs to expand their services to under-served MSMEs. The intention of this pilot is to close the gap between MSMEs (demand) and BASPs (supply) by subsidizing a percentage of BASP’s fees for MSMEs in target sectors, resulting in improved MSME capacity and competitiveness. PSD requires that selected BASPs work with current and future PSD partners in delivering their services to a wide range of potential MSMEs. These partners range from large scale conglomerates involved in our key sectors, financial institutions and apex industry associations.

### 4.2. Objective

The overall objective of the BASP network is to establish a cadre of reliable BASPs capable of providing services to MSMEs.

### 4.3. Tasks

Upon successful application and selection, contracted IDIQ holders will become members of PSD’s BASP Network. BASP Network members will be eligible to submit Task Order (TO) proposals for services provided to qualifying MSMEs. Under these TOs, Subcontractors will be paid a percentage of the overall cost of services provided (subject to a maximum limit as referenced in **Annex D - Service categories, core services & payment ceilings schedule**) for each service package successfully executed to eligible MSMEs.

PSD will support successful offerors in seeking and onboarding potential new businesses by:

- a. Connecting them with PSD partner professional and membership associations and lead firms in order to engage and provide services to their pool of identified MSMEs.
- b. Connecting them with PSD partner financial institutions in order to engage and provide services to their pool of identified MSME’s.

By adopting this approach, PSD intends to lower the costs of customer acquisition, marketing and business development for successful Offerors by facilitating access to a wide pool of eligible MSMEs, including beneficiaries and prospective beneficiaries of PSD and other USAID MSME support programs. This is intended to supplement independent efforts by the Offeror to identify new MSME clients of their own. PSD and its partners will monitor Offeror interactions with MSMEs and provide guidance where applicable

Selected BASPs will be responsible for:

- a) **Identifying and onboarding eligible MSMEs.** The Subcontractor is expected to submit Task Order (TO) proposals to provide support to eligible MSMEs. Selected eligible MSMEs must be growth-oriented enterprises, which is defined as companies with two or more years of active business operation and a desire to grow sales and increase revenue. As part of the IDIQ contract, PSD anticipates:
  - i. **Women's Economic Empowerment:** At least 10% of the companies onboarded must be women-owned, or women-led.
  - ii. **Firm Commitment:** BASPs must obtain signed commitment from each participating MSMEs indicating the MSME's willingness to bear a pre-agreed percentage of BASP's service fees (As detailed in **Section 4.4 Task Order Deliverables – Payment Schedule & Breakdown**) and accept services delivery.
- b) **Service Implementation.** The BASP must submit a service implementation plan for each MSME, which should include the strategy, workplan, monitoring plan, and timeline to achieve the objectives and expected results included in the TO proposal.
- c) **Quarterly monitoring & reporting.** BASPs will be required to submit quarterly progress reports under each TO, which should include reports on specific impact indicators for each MSME. Further details are provided under **Section 4.4 - Task Order Deliverables.**

## 4.4. Task Order Deliverables

Upon successful IDIQ contracting, BASPs will need to provide the following TO deliverables for review by the Technical Manager (or his/her designee) for completeness before being accepted and approved for payment.

No.	Deliverables	Acceptance Criteria
1	MSME Diagnostics Report and signed Service Implementation Plan.	The MSME Diagnostics Report and Service Implementation plan should include: <ul style="list-style-type: none"> <li>MSME profile (including MSME sector, location(s) and staff count, is it women-led and/or owned, Revenue)</li> <li>Copy of service implementation plan signed by the MSME, clearly detailing strategy, workplan and timelines, work completion criteria/deliverables, and agreed costs to be shared between PSD and the MSME.</li> </ul>
2	Quarterly monitoring & evaluation reports	The subcontractor will be required to submit quarterly progress reports under each TO for the duration of the IDIQ service contract, which should include impact indicator data for each MSME onboarded and served under the BASP program. If Quarterly Reports are not submitted on time by the subcontractor they may be deemed non-compliant under this contract, and may be deemed ineligible for any further payments. <p>Indicators that require monitoring and reporting include:</p> <ol style="list-style-type: none"> <li>Client sales before and 12 months after service uptake.</li> <li>Type, location and sector of firm (MSME, formal or informal)</li> <li>If women-led or woman-owned</li> <li>If service has led to improved participation in local economy</li> <li>Improvements in management practices, use of technologies, or access to new markets and customers</li> <li>Full Time Employment (Men &amp; Women) before and 12 months after service uptake</li> <li>No. of participants (male &amp; female) benefiting from training or assistance</li> </ol>
3	Signed Successful Work Completion Letter & Evidence of payment by MSME	Work completion letter detailing the services successfully provided and satisfactorily received by MSME. Supporting documentation providing evidence of payment by the MSME of its share of the cost of services provided.

### Delivery Timeline

No.	Deliverables	Due Date
1	MSME Diagnostics Report & Signed Service Implementation Plan	Within 90 days of the Task Order award
2	Signed Successful Work Completion Letter & Evidence of payment by MSME	Within 12 months of the Task Order award
3	Timely submission of quarterly monitoring & evaluation reports	Within 12 months of the Task Order award

### **Payment Schedule & Breakdown**

PSD will pay between 50% - 70% of the total price of business advisory services for MSMEs, up to the maximum payment specified in **Annex D - Service categories, core services & payment ceilings schedule**. The remainder of the price is to be borne by the MSME.

As an incentive to support women-led and/or owned MSMEs, an additional 5% will be provided by PSD, thereby increasing this payment for BASP services for women-owned and women-led businesses to between 55% and 75% of the total price of business advisory services, up to the maximum payment specified in **Annex D - Service categories, core services & payment ceilings schedule**. The remainder of the price is to be borne by the MSME.

For example:

- a) If a BASP offers services "Y" to a MSME at a price of \$1000, provided that the MSME is women led and/or owned, PSD will pay between 55% - 75% of \$1000, with the remainder borne by the MSME.
- b) If a BASP offers services "X" to a MSME at a price of \$1000, provided that the MSME is not women-led and/or -owned, PSD will pay between 50% - 70% of \$1000, with the remainder borne by the MSME.

*Please note the above service values are for illustrative purposes only.*

The payment schedule for Task Orders is as follows -

<b>Deliverable &amp; Payment Schedule by Task Order</b>		
<b>No.</b>	<b>Deliverables per MSME</b>	<b>Percentage of PSD payment</b>
1	MSME Diagnostics Report and Signed Service Implementation Plan	50%
2	Signed Successful Work Completion Letter & Evidence of payment by MSME	30%
3	Timely submission of quarterly monitoring & evaluation reports	20%
	<b>Total</b>	<b>100.00 %</b>

## 5. Annex B: Proposal Cover Sheet

OFFEROR DETAILS	
Name of Offeror Organization	
Physical Address	
Postal Address	
DUNS Number	
<p><b>Company Service Category</b> (select <b>one</b>, see Annex D for definition)</p> <p><i>Offerors are requested to apply for a single Business Advisory Service Category per proposal. In the event the offeror opts to apply for more than one service category, separate proposals should be submitted.</i></p>	<input type="checkbox"/> Enterprise Resource Planning Solutions (ERP) <input type="checkbox"/> Digital Marketing and Advertising Solutions <input type="checkbox"/> Products and Systems Certification Support <input type="checkbox"/> Channel Management Services
POINT OF CONTACT	
Name	
Title	
Phone	
Email	

---

**Authorized Representative Printed Name & Title**

---

**Signature of Authorized Representative**

## 6. Annex C: MSME & Sector Definitions

### a) Segment Definitions:

For this RFP, Micro, Small and Medium Enterprises are defined as following:

- iii. Micro – A business with less than 10 employees (FTE)
- iv. Small – A business with 11-50 employees (FTE)
- v. Medium – A business with 51-250 employees (FTE)

Note: FTE – Full time employment

### b) Women-owned or women-led Enterprises:

(i) *Women-owned enterprise*: To qualify as a women-owned enterprise, it must demonstrate i) ownership, ii) control, **AND** iii) management of the enterprise by one or more women.

Ownership Test: Ownership is thought of as control of assets or equity without the need for a man for permission. To qualify, one or more women must have 51% ownership and is unconditional and direct. Ideally, this would be 51% ownership by one or more women, but we can allow a plurality of ownership in situations involving outside investors.

Control Test: The management and daily business operations of the concern must be controlled by one or more women. Control means that the long-term, strategic decision making, and the day-to-day management and administration of the business operations must be conducted by one or more women. For example, is a woman or women publicly representing the enterprise to investors or Financial Institutions?

Management Test: The woman must hold the highest officer position, manage it on a full-time basis, and devote full-time to the business concern during the normal working hours of the business concern in the same or similar line of business.

(ii) *Women-led enterprise*: This also applies if the enterprise cannot meet one or more test described in the women-owned enterprise. Or, put differently, to qualify as a women-led enterprise, the entity must demonstrate i) ownership, ii) control, **OR** iii) management of the enterprise by a woman or women.

### c) Sector and subsector definitions

SECTOR	DESCRIPTION
APPAREL	MANUFACTURE OF APPAREL PRODUCTS - DOMESTIC PURPOSE MANUFACTURE OF APPAREL PRODUCTS - EXPORT PURPOSE GARMENTS, CULTURAL AND RECREATION GOODS SUPPLY OF RAW MATERIAL AND ACCESSORIES FOR MANUFACTURE OF APPAREL AND TEXTILES MANUFACTURE OF RAW MATERIAL AND ACCESSORIES FOR MANUFACTURE OF APPAREL AND TEXTILES MANUFACTURE OF FASHION ACCESSORIES HANDLOOM, BATIK AND ARTISANAL TEXTILES AND APPAREL SKILLS DEVELOPMENT AND TECHNICAL TRAINING FOR APPAREL SECTOR
COMMERCIAL CARE	PROVIDERS OF CHILD CARE FACILITIES INCLUDING PRESCHOOLS AND DAY CARE PROVIDERS OF ELDERLY CARE FACILITIES, INCLUDING IN-HOUSE, PART-TIME AND STAY IN PROVIDERS OF CARE SERVICES FOR INDIVIDUALS WITH SPECIAL NEEDS, INCLUDING IN-HOUSE, PART-TIME AND STAY IN TRAINING SERVICE PROVIDERS FOR COMMERCIAL CARE SECTOR DIRECT SUPPLIERS FOR COMMERCIAL CARE SECTOR

<b>FOOD PROCESSING</b>	TRADITIONAL PRODUCTS (TEA, COCONUT) PROCESSED VEGETABLES, FRUITS AND JUICES PROCESSED SPICE BASED PRODUCTS RICE BASED PRODUCTS AND CEREALS CONFECTIONARY AND BAKERY PRODUCTS PRE-COOKED, FROZEN AND DRIED FOOD ALCOHOLIC AND NON-ALCOHOLIC BEVERAGES INCLUDING MINERAL WATER NATURAL SWEETNERS (KITHUL, COCONUT, PALMYRA, BEES HONEY) DAIRY PRODUCTS SEAFOOD AND MEAT PRODUCTS TRAINING SERVICE PROVIDERS FOR THE FOOD PROCESSING SECTOR
<b>INFORMATION COMMUNICATION TECHNOLOGY</b>	DATA PROCESSING, HOSTING AND RELATED ACTIVITIES INFORMATION TECHNOLOGY - HARDWARE INFORMATION TECHNOLOGY - SOFTWARE ASSEMBLING OF INFORMATION TECHNOLOGY EQUIPMENT TELECOMMUNICATION SERVICE PROVIDERS DIGITAL MARKETING SERVICE PROVIDERS ICT RETAILED BUSINESS PROCESS MANAGEMENT SERVICES E-COMMERCE SERVICE PROVIDERS ICT EDUCATION AND TRAINING PROVIDERS
<b>TOURISM</b>	HOTELS (RESORTS, BOUTIQUE HOTELS, VILLAS) GUEST HOUSES HOME STAY UNITS, BUNGALOWS AND SERVICE APARTMENTS CAMPING SITES AND ECO LODGES TRANSPORT PROVIDERS FOR TOURISM (LAND, AIR AND WATER) TRAVEL GUIDES TRAVEL AGENCIES (IN BOUND AND OUT BOUND) ADVENTURE, RECREATION TOURISM AND RELATED SERVICES (INCLUDING SAFARI AND DIVING) MEDICAL AND WELLNESS TOURISM SUPPLIERS OF SOUVENIERS AND TOURISM RELATED PRODUCTS GEM AND JEWELLERY FOR TOURISM SECTOR TOURISM ATTRACTION OPERATORS HOSPITALITY SKILLS DEVELOPMENT AND TRAINING CENTERS



## 7. Annex D: Service categories, core services & payment ceilings schedule

Offerors are requested to apply for a single Business Advisory Service Category per proposal. In the event the offeror opts to apply for more than one service category, separate proposals should be submitted.

Business Advisory Service Category	Language to add to SOW and Background Section	Mandatory Core Services to be included in SOW	Note(s)	Maximum Awards to be granted	Maximum price per MSME/ Order Ceiling	Anticipated service outreach per BASP*
Enterprise Resource Planning Solutions (ERP)	<p><b>Key Goal:</b> Providing ERP Solutions for SME's directly or via Financial Institutions, Lead Associations or Lead Firms</p> <p><b>Background:</b> PSD seeks ERP BASPs to provide the identified core services to MSME's. Uptake of such services should result in improved cash flow and inventory management for MSMEs. As a result, MSME's will become more competitive in their respective sectors and have increased sales via partners and/or increased access to capital via financial institutions.</p> <p><b>Target Sectors:</b> Apparel, ICT, Food Processing, Tourism and Commercial Care. Please refer Annex C: MSME &amp; Sector Definitions for more information.</p>	<ol style="list-style-type: none"> <li>1. Sales</li> <li>2. Invoicing</li> <li>3. Accounting</li> <li>4. Inventory Management</li> <li>5. Purchasing Support</li> </ol> <p>Offerors are welcome to offer supplementary or tertiary services in addition to those identified above.</p>	<ol style="list-style-type: none"> <li>1. Offerors are required provide a maximum of 2 user licenses per SME in the base package with additional user licenses to be borne by the MSME as indicated in the proposal.</li> <li>2. The base package quotation is to include (i) implementation /setup costs (inclusive of necessary user training) and monthly subscriptions costs for a period of 12 months.</li> <li>3. Additional user trainings /customer support beyond the scope of the base package are to be borne by the MSME as indicated in the proposal.</li> </ol>	Up to 4 BASPs	<p>Up to \$2,000 in payment per MSME served for the total duration of the services.</p> <p>Additional support beyond the maximum client ceiling is subject to PSD approval.</p>	<p>As an outcome of the support provided, PSD expects successful Offerors to service (i) a minimum of 20 clients and (ii) a maximum of 50 clients.</p> <p>Additional support beyond the maximum client ceiling is subject to PSD approval.</p>
Digital Marketing and Advertising Solutions	<p><b>Key Goal:</b> Providing digital marketing services by planning, implementing, managing and delivering digital marketing or advertising campaigns for MSME's'.</p>	<ol style="list-style-type: none"> <li>1. Digital Marketing Support (including Strategy, Content, Content Deployment, Analytics, Direct Engagement Mailers)</li> </ol>	<ol style="list-style-type: none"> <li>1. Base package campaigns can be conducted for up to six months. Additional months will be borne by the MSME.</li> </ol>	Up to 10 BASPs	<p>Up to \$2,000 in payments per MSME served for the total duration of the services.</p>	<p>PSD expects successful Offerors to service (i) a minimum of 10 clients and (ii) a</p>

	<p>Background: PSD seeks digital agency BASPs to offer the identified core services to MSMEs. Uptake of such services should result in increased digital presence and social media participation among these MSME's, resulting in increased competitiveness.</p> <p>Target Sectors: ICT, Apparel, Food Processing, Tourism and Commercial Care. Please refer Annex C: MSME &amp; Sector Definitions for more information.</p>	<p>2. Search Engine Optimization &amp; Pay Per Click Campaign Support 3. Website design, development and deployment</p> <p>Offerors are welcome to offer supplementary or tertiary services in addition to those identified above.</p>	<p>2. Cost of SEO/PPC key words are to be borne by the MSME.</p>		<p>Additional support beyond the maximum client ceiling is subject to PSD approval.</p>	<p>maximum of 20 clients.</p> <p>Additional support beyond the maximum client ceiling is subject to PSD approval.</p>
<p>Products and Systems Certification Support</p>	<p>Key Goal: Providing Products/Systems Certification Support for SMEs.</p> <p>Background: PSD seeks certification support BASPs to offer the identified core services to MSMEs. Uptake of such services should result in increased awarding of standards and certifications among MSME's, enabling them to tap into high value supply chains while increasing overall sector competitiveness.</p> <p>Target Sectors: Food Processing, Tourism, ICT, Apparel and Commercial Care. Please refer Annex C: MSME &amp; Sector Definitions for more information.</p>	<p>1. Pre-certification Audit 2. Compliance Training 3. Certification Application Support 4. Certification Audit Support 5. Post Audit Non-Conformity Support 6. Certificate Award Incentive 7. MSME Downstream Certification Support</p> <p>Offerors are welcome to offer supplementary or tertiary services in addition to those identified above.</p>	<p>1. PSD payment support will only extend towards BASP certification support services conducted as part of the core service offerings.</p> <p>2. PSD will not bear any external costs related to certification from certifying bodies/organization including the cost of certification itself.</p>	<p>Up to 5 BASPs</p>	<p>Up to \$1,300 in payment per MSME served for the total duration of the services.</p> <p>Additional support beyond the maximum client ceiling is subject to PSD approval.</p>	<p>PSD expects successful Offerors to service (i) a minimum of 5 clients and (ii) a maximum of 20 clients.</p> <p>Additional support beyond the maximum client ceiling is subject to PSD approval.</p>

<p>Channel Management Services</p>	<p>Providing Channel Management Services for Tourism MSME's</p> <p>Background: PSD seeks channel management BASPs to offer the identified core services to Tourism MSMEs. Uptake of such services should result in improved global reach via third party booking platform and better room inventory management, increasing overall sector competitiveness.</p> <p>Target Sectors: Tourism Please refer Annex C: MSME &amp; Sector Definitions for more information.</p>	<p>1. Channel Manager Service 2. Automated Room Inventory Management 3. Direct Property Booking Engine Support</p> <p>Offerors are welcome to offer supplementary or tertiary services in addition to those identified above.</p>	<p>1. Separate service costs for properties according to capacity disaggregated by (i) 1-10 Rooms and (ii) 11-25 Rooms.</p> <p>2. Costs for any listing boosting/advertising on external third-party services/platforms are to be borne by the MSME.</p>	<p>Up to 3 BASPs</p>	<p>Up to \$1,200 in payments per MSME served for the total duration of the services.</p>	<p>PSD expects successful Offerors to service (i) a minimum of 25 clients and (ii) a maximum of 50 clients.</p> <p>Additional support beyond the maximum client ceiling is subject to PSD approval.</p>
------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------	------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

*\*Additional payments are subject to clients being eligible as defined, Offeror performance and availability of funding.*