

QUESTIONS & ANSWERS

Date: December 23, 2022

Reference Request for Proposal Number: RFP-CATALAYZE-217772-Ethiopia-2022-0348

Dear Offerors,

Please see below answers to the questions submitted to Ethiopia - MS4G Procurement and raised during the bidders' conference.

No	Question	Answer
1	<p>As a financial service provider, Dashen Bank S.C. can facilitate the completion and efficiency of the initiative by inferring from the existing arrangements with beverage companies and providing financial services such as, among others, Value Chain Financing and Digital Payment Modalities. Currently, the Bank provides a variety of banking services across sectors such as, among others, agriculture, manufacturing, domestic trade and service, and international trade. Hence, we kindly request your office to provide us with the role of financial firms in the initiative so that we can provide a proposal tailored to the purpose.</p>	<p>The RFP is issued for service providers that are engaged in supply chain development, cluster development, and improving agronomic practices for smallholder farmers.</p> <p>The activities outlined under the RPF require technical expertise and experience in working in the agriculture supply chain development sectors.</p> <p>The activities under the RFP involve financial components, but financial institutions like Dashen Bank S.C. can collaborate with potential service providers.</p> <p>MS4G has been using Transaction Advisory Service Providers (TASPs) to facilitate access to finance to support small and medium enterprises (SMEs) in our scope. Bidders can approach Banks such as Dashed and work on their proposal as to handle financial related services related to this RFP.</p> <p>The procurement in this RFP is not an area of expertise for Banks.</p>
2	<p>We recommend extending the contract period for additional 6 -9 months to get a measurable impact on the main deliverables among Small Holder Farmers (SHFs). Is there a possibility to extend over 15 months contract period?</p> <p>What is pay for performance mean? Please explain.</p> <p>How will the contribution of BME be managed in the contract?</p>	<p>Boortmalt Ethiopia PLC ("BME") has a wide-ranging engagement and has invested much in developing its supply chain systems. It works with thousands of farmers and has identified potential areas for expanding its malt barley sourcing efforts.</p> <p>The purposes of the activities under the RFP are more or less capitalizing on the efforts of BME and expanding its current activities. BME has deployed technical experts on the ground. Thus, the potential service provider will not start things from scratch. Hence, a total of fifteen months is assumed to be enough.</p> <p>We set a 15-month contract period from two perspectives. The first 2 months are for conducting the assessment and the remaining 13 months are for executing and delivering as per the scope of work. The activities are not complicated and challenging. Moreover, the harvest season will be included in 13 months and it's a foundation of the activity.</p>

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		<p>On the other hand, MS4G is in its third-year program and the activity in this RFP is among next year's activities we are going to execute. Due to these facts, a 13-month engagement after the assessment is enough with overall 15 months contract period.</p> <p>BME will be engaged with this activity, and you will be helping them to scale.</p> <p>Pay for Performance is a payment mechanism tied to the delivery as per the agreement, subject to meeting acceptable criteria and approval by the technical representative of the MS4G team. We want to see the result before we pay, and we see all parameters. Selected bidders need to fulfill agreed engagements.</p> <p>As clearly mentioned in the RFP, BME will contribute 25% of the cost of the engagement, either in cash or in kind. MS4G will cover 75% of the overall budget.</p>
3	<p>What is MS4G working? And what exactly do you want to do with this RFP?</p> <p>Why Five years or more experience is put among eligibility criteria? Is there a possibility of considering service providers with less than 5 years in similar business?</p>	<p>USAID CATALYZE (MS4G) is a four-year activity funded by USAID/Ethiopia focusing on creating transformative outcomes in the food security and WASH sectors. To achieve these goals, the activity will engage youth, mobilize capital, increase access to finance, and support stakeholders to self-advocate toward policy change which will promote opportunities for the private sector community. MS4G focuses on growth-oriented activities. We want to work with enterprises that help us to create youth employment and women's engagement.</p> <p>Bidders are advised to know that we are not looking for individuals. Rather, we want an organization with a lot of technical knowledge and administrative experience, as the nature of the procurement we are looking for requires a lot of technical and operational efforts that a well-established organization or firm can deliver. Therefore, we need individual knowledge through company engagement.</p>
4	<p>RFP-focused smallholder farmers is any possibility to expand to others like commercial farmers?</p>	<p>BME engaged with smallholder farmers only and the service is for smallholder farmers too.</p>
5	<p>Who is covering 15,000 farmers' costs?</p>	<p>We are expecting bidders will propose the overall cost for this program and bidders can consider their expenses related to providing the service under this RFP.</p>
6	<p>What are roles and responsibilities between BME, MS4G and Service provider, like who calls the farmers, who pays transport and other costs?</p>	<p>BME has identified areas and smallholder farmers where it can potentially expand to. The service provider will select farmers in consultation with BME's field experts on the ground. Bidders are advised to read the scope of work annexed with the RFP and understand the roles and</p>

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		<p>responsibilities. We require expertise on each activity listed in the SWO.</p> <p>Transport and other costs should be submitted by bidders in their budget/cost proposal if any.</p>
7	<p>On the deliverable and result section part there is a digital payment modality, so is there any option to add banks on the contract?</p>	<p>Banks are not advised to apply for this RFP as finance-related activity is about facilitating and creating links with a financial institution for better access to capital mobilization. There is no direct activity that banks can provide. Bidders can collaborate with banks to provide the required service under this RFP. They can mention in their technical proposal how they will work with banks for finance-related activities in providing the service under this RFP.</p>