

QUESTIONS & ANSWERS

Date: June 9, 2023

Reference Request for Proposal Number: RFP-CATALYZE-217772-Ethiopia-2023-0029

Dear Offerors,

Please see below answers to the questions submitted to ethiopiams4g.procurement@thepalladiumgroup.com and questions raised during the bidder's conference conducted on May 26, 2023 and June 9, 2023.

No	Question	Answer
1	Would you please elaborate what 'Defense Base Act (DBA) insurance' is under the Ethiopian context?	Federal Acquisition Regulation (FAR) 52.228-3, Workers' Compensation Insurance (Defense Base Act) (JUL 2014), requires contractors to provide disability compensation, medical insurance benefits, and death benefits during contract performance for all covered employees. Click the link for detail https://www.acquisition.gov/far/52.228-3
2	2.1 Considering the current high inflation, it is advisable & motivating if service fees are fixed in USD. 2.2 Should the cost proposal be submitted in Birr or USD?	The cost proposal must be prepared in ETB and the contract will be issued in ETB as well. Bidders are free to forecast and consider any factors like inflation that may affect their budgeting related to the activities under the scope of the RFP.
3	MS4G used to mention per enterprise budget on RFPs, what is the budget for the program?	MS4G doesn't want to dictate the market. Bidders are expected to submit budget proposal which reflects the activities to be provided as described in the technical proposal. Therefore, it is up to the bidder to do the budgeting and submit budget proposal.
4	Can you please elaborate the statement "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)?"	Cost Principles in 2 CFR 200 Subpart E or For-Profit entities – Cost Principles in FAR Part 31) refers to bidders budget proposal should consider the costs reasonableness, fairness, allowability and allocability.
5	When do you think the assignment starts? It is highly advisable to start this project ASAP - before the beginning of 'Kiremt' (Summer) as it is the season where agricultural activities are performed and new graduates are getting ready for the work world.	MS4G understands that this activity should start as soon as possible as the main rainy season is entering. Efforts will be made to avoid any unnecessary delay in our internal processes.

6	<p>What is pay for result? Do the BASPs need to finance the One Stop Shops (OSS) and request for compensation?</p>	<p>Pay for result is a payment structure in which deliverables and results are set and agreed to at the signing of an agreement and payments are made only once those deliverables are complete. Either the BASP or MS4G is not expected to do any payment to the OSS. The BASP will receive payment from MS4G for providing the agreed upon technical assistance to the OSS.</p>
7	<p>The purpose of the RFP indicates that Palladium is expecting to select multiple BASPs. Does this mean there will be multiple awardees? Or BASPs are different from Awardees?</p>	<p>The total number of agricultural OSS to be supported through this Request for Proposal is 100. One Business Advisory Service Provider (BASP) is expected to serve a minimum of 5 and a maximum of 20 OSS. This implies there will be at least 5 BASPs (meaning multiple awardees) that MS4G will be engaging. Bidders are advised to mention the number of OSS they would like to support considering their capacity to provide the required services under this RFP. But MS4G reserves the right to negotiate the number of OSS served under any one award.</p>
8	<p>8.1 What is the definition of OSS?</p> <p>8.2 How does the OSS differ from farmers' cooperatives engaged in the distribution of farm inputs to its members.</p>	<p>According to this RFP, OSS means agricultural One Stop Shops. These are private enterprises established with the support of Agricultural Transformation Institute (ATI) for supplying agricultural inputs such as fertilizer, selected seeds, and other related products and services to smallholder farmers. It is important to note that these are not One Stop Shops established in cities and towns to provide SME and employment services.</p> <p>OSS are enterprises who supply different agricultural inputs such as seed, fertilizer, pesticides, feed, etc. They sometimes also provide training and extension associated with the inputs they are selling. OSS are mostly private enterprises, yet there are some cooperatives that manage OSS as well.</p>
9	<p>9.1 What is the role of ATI in selection of OSS enterprises and the business advisory service provider?</p> <p>9.2 where can we find the list of OSS, can we approach ATI for the lists while preparing our proposals?</p>	<p>ATI will work with MS4G in coordination to enhance the business management capacity of farmers' organizations and associations, one stop shops, and Agri SMEs.</p> <p>MS4G in collaboration with ATI will avail potential list of OSS.</p>
10	<p>Should we include the three components of SOWs in our application i.e., Youth Programming, Business Support, and Digital Economy or can we focus only what we are specialized on.</p>	<p>Yes, all need to be incorporated in the application in response to this RFP.</p>

11	As the OSS are mostly located in small towns and rural areas, don't you think, the RFP should reshape its requirement of "Secondary Cities - with over 300,000 population"?	Regardless of the secondary city criterion, your engagements will be in locations where these OSS are located as your assignment is closely related to supporting them.
12	12.1 From experience it is difficult to find women owned enterprises especially with OSS. Is there flexibility in this regard? 12.2 Do you have women owned OSS and are you saying we will share you the data?	All MS4G engagements encourage women and youth participation, thus we want 50% women participation in the OSS, but if there isn't much female participation, we work with what we have. We don't have list of women owned OSSs. This can be checked with the list to be provided by ATI.
13	Is it mandatory to work with those OSS MS4G will share or can we support from our list with whom we already have been working/providing the BASP support.	Yes, MS4G collaborates with ATI to provide a list of OSS that best meet MS4G's requirements. In addition, MS4G will provide a platform where all the mentioned OSS and BSPs can connect.
14	14.1 Do you think 10% sales revenue growth could be achieved together with activities like job creation for youth, digitalization and new way of business doing in one year? 14.2 What is the statement "In some cases, evidence of a 10% revenue and sales increase or proof of implementation. and active use of the digital inventory system for 100 OSSs may be required" on Deliverable 3 (Final Report)?	All three types of technical assistance each has its own result measurement, but the 10% revenue and sales increase only applies to the BASPs support. MS4G reserves the right to request financial statements that will prove a 10% growth in revenue and sales, or evidence of active use of the digital inventory system for the OSS to serve as proof of implementation.
15	Will there be a flexibility to negotiate with the contracted firm on activities that might be difficult to implement which can be identified in the actual execution?	BASP or service provider will be required to perform a diagnosis on each OSS they will be supporting, and they will also be expected to be systemic in their implementation plans, which will steer their efforts toward top-line growth.
16	Can we apply in joint venture basis?	Yes, MS4G will sign a subcontract with the leading firm who applied for this RFP. All communications related to deliverable submissions, invoicing and payments etc. will be with the contracted subcontractor (leading firm). The subcontractor will be solely responsible to manage the joint venture.
17	Can vendors registered under ToT business type apply for this RFP?	Yes, as far as they are legally registered as per the Ethiopian business law and have the permission for such service provision firms can apply and bid.