

Request for Proposal (RFP)

Subject RFP #:	RFP-CATALYZE-217772-Ethiopia-2023-045
RFP Issue Date:	June 30, 2023
Terms of Reference / Specifications:	Increase the Production, Distribution and Sales of Non-Chemical Fertilizer SMEs through BASP Engagement
Project	CATALYZE
The Company	Palladium International, LLC
Country of Performance	Ethiopia
Closing Date and Time	July 21, 2023 at 11:59 PM, Addis Ababa (UTC+3)
Questions Deadline	<input checked="" type="checkbox"/> Accepted at ethiopiams4g.procurement@thepalladiumgroup.com by July 06, 2023, at 02:00 PM, Addis Ababa (UTC +3)
Bidders' Conference	<input checked="" type="checkbox"/> Virtually on July 07, 2023, at 10:00 AM, Addis Ababa (UTC +3)
Details for Submission	Submissions will be accepted: <input checked="" type="checkbox"/> Electronically: email to ethiopiams4g.procurement@thepalladiumgroup.com
Offer Validity Period	120 days

Thank you for your interest in the above procurement. 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. Your proposal must be valid for the Offer Validity Period.

Please email your notice of intention to submit a proposal by the Questions Deadline. Answers to questions shall be distributed to all offerors that have indicated an intention to submit a proposal by the deadline.

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 proposals 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 concerning information provided by the prospective supplier or from a third party); and n, and with any one or more potential suppliers.

6. Amendments and Queries

The Company may amend or clarify any aspect of the RFP before 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 before execution of a contract, seek clarification or additional information from, and enter into discussions and negotiations with, any or all potential suppliers in about 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 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 upon 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 inclusive price.

The contract price, which must include any 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 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 judgment 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 an 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 about to their proposal or the RFP process.

Potential suppliers must disclose where proposals have been compiled with the assistance of current or former Company employees (within the previous 9 months and who were 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 about 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.

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

USAID CATALYZE Market Systems for Growth (CATALYZE MS4G) is a four-year activity focused on creating transformative outcomes in the food security and water, sanitation, and hygiene (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. In response to the impact of supply disruptions, sharp increases in the price of food, and increases in the cost of agricultural production in Ethiopia, CATALYZE MS4G is placing a special focus on activities and partnerships with Ethiopian private sector partners to help increase farmer's access to – and ability to afford – both chemical and biological fertilizer, enhance the reliance of enterprises impacted by the rising cost of fertilizer, and strengthen Ethiopia's fertilizer and supply chain over the long term.

Purpose

The purpose of this RFP is to select one or more Business Advisory Service Providers (BASPs) who will work to strengthen and improve the capacity of 10 non-chemical fertilizer micro, small, and medium enterprises (MSMEs). The support is expected to increase the production, distribution, and sale of non-chemical fertilizer and related inputs distribution to farmers.

Selection Criteria of MSMEs to be Supported

The primary and direct targets and beneficiaries of this activity will be non-chemical fertilizer producing and distributing enterprises across selected geographies. An assessment done by CATALYZE MS4G has proved that there are only a few enterprises operating in this sector. Priority will be placed on women owned or managed enterprises.

Type of Contract

Palladium intends to issue a Pay-for-Result (P4R) subcontract to the selected offerors.

Anticipated Contract Period of Performance

Subcontracts will be issued for a **12-month** period with the option for renewal based on performance and the availability of funding, at the sole discretion of USAID CATALYZE MS4G.

Place of Performance

The activities to be performed under this subcontract will take place in Ethiopia. The team proposed by the offeror would be expected to travel around Amhara, Sidama and Oromia regions and Addis Ababa. For more information, see the Instructions for Submission of Cost Proposal.

Staffing and Level of Effort

Offerors will propose a team of people with the skill set suitable to address the various deliverables in Annex A.

A complete scope of work is attached as Annex A.

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. Offeror's contact information and address.
 2. Type of company or organization.

3. Unique Entity Identification (UEI) Number (bidders must have a UEI number or obtain one within 10 days of being notified of selection). Bidders are advised to apply on SAM.gov for ease of obtaining UEI number.
 4. Signed by an authorized representative of the company.
- (b) **Sector Coverage and Firm Profile:** Including the background on the offeror and relevant expertise, providing a description of specific past projects performed, and results achieved by the offeror highlighting relevant expertise (maximum 2 pages).
 - (c) **Technical Proposal:** Outline, by component, the specific steps to completion, and how the offeror would achieve the deliverables and indicators outlined in Annex A of this RFP and in the evaluation criteria table below (maximum 8 pages).
 - (d) **Key Personnel and Staffing Plan:** The offeror will provide a team of technicians and experts with relevant qualifications and experience to adequately support the required activities. A brief description of staffing resources required to complete the assignment should be provided, along with their technical specialties and availability (maximum 2 pages). A team leader and other senior staff that the offeror believes are essential to the successful completion of the activity must be named in the proposal and curriculum vitae (CV) provided as an annex (maximum 2 pages each). These CVs must receive approval by CATALYZE MS4G prior to implementation (maximum 2 pages per CV).
 - (e) **Proposed Work Plan:** (in a Gantt Chart) showing how the offeror would execute this project including a timeline (maximum 2 pages).
 - (f) **Past Performance References:** Summary report of business advisory services provided specifically in the agriculture sector; practical experience in agri-MSMEs business advisory service provision; proven experience of working and supporting agricultural input production, supply, distribution, and utilization systems in Ethiopia (maximum 3 report submissions, maximum 2 pages each), including contact information for three references who oversaw or was familiar with the work of the offeror for these services and projects (maximum 1 page). All supporting documentation specified below in the pass/fail evaluation criteria.

Note: 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)

2. Cost Proposal

Offers must submit a detailed cost proposal. Offerors will find CATALYZE MS4G Budget Template posted with this RFP or can 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

- The contract will be issued in Ethiopian Birr only.
- All prices are to be inclusive of relevant taxes.
- Separate unit cost and number of units.
- Break down activity costs in as much detail as possible.
- Offerors should budget for: labor, travel, and transportation, training and other costs.
- All consultant fees as required which should match the rationale for the proposed salaries in the AID1420-17.
- Offeror should budget for:
 - Defense Base Act (DBA) insurance by FAR 52.228-3, as applicable.

Offerors will be required to complete the Due Diligence Questionnaire (Attachment I) and provide a UEI number with proposals submission or attach a screen shot as proof of registration for UEI number on SAM.org.

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 **RFP-CATALYZE-217772-Ethiopia-2022-045** in the subject lines.

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 the 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:

Table 1. Eligibility requirement

	Requirement	Supporting Documentation
(a)	<ul style="list-style-type: none"> Must be a registered legal entity in Ethiopia for a minimum of five years. Resumes/CVs of the key personnel are included to ensure completion. 	Copy of Renewed business license certificate, TIN, and VAT (as applicable) or articles and Memorandum of Association.
(b)	Must not have any active exclusions from 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 (MS4G will conduct the vetting to check the exclusion)

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

Table 2. Technical evaluation criteria

Evaluation Criteria	Documents Evaluated	Points
1. Sector coverage and firm profile		
a. The expertise of the offeror within preferred agricultural sector especially in input supply and fertilizer provision or agri-business development sectors.	Firm profile	15
2. Technical proposal		
a. Technical approach – A clear technical approach that depicts the firm’s understanding of the challenges, actions identified to address them and how to execute the implementation plan.	Technical approach	12
b. Management approach – that describes how the firm will be implementing its proposal including teaming, engagement of partner enterprises, networking with needed experts and monitoring arrangements	Technical approach and staffing plan	12
c. Work plan – Gantt chart demonstrating a timeline of activities over the period of performance. It should present a weekly timeline beginning at week 1 with the signing of the subcontract.	Work Plan	11
3. Key Personnel and Staffing Plan		

The offeror must provide a brief description of the staffing resources required to complete this activity, their technical specialities and their availability, time required for recruitment and onboarding. -Team Leader has at least five years' experience supporting agro-enterprises, farmers, and intermediaries in business development and sales-related activities. -At least two key personnel have a minimum of 5 years of experience in agribusiness and related fields.	Staffing Plan and CVs	20
4. Past Performance		
a. Practical experience of providing business advisory support services to specific agribusiness MSMEs or agro-dealers.	Past performance reference	20
5. Gender Equity		
a. Service provider is a majority women-owned (25%), women-managed, or women-led businesses, legal registered entity in Ethiopia.	Shareholder Agreement or equivalent, business licence and Articles and Memorandum of Association	10
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 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 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 the 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 under 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.

Attachments

Please review the additional documentation and proposed contract terms and conditions which should be given consideration when preparing your proposal. By submitting your bid, you will certify that you 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 - Due Diligence Questionnaire

Attachment 2 - CATALYZE MS4G Budget Template

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 Catalyze.procurement@thepalladiumgroup.com

Annex A: Scope of Work

Objective

The purpose of this RFP is to select one or more business advisory service providers (BASPs) on a Pay-for-Result (P4P) basis to help non-chemical fertilizer micro, small, and medium enterprises (MSMEs) to improve their business performance. This support may include developing long- and short-term strategic plans, improving market linkages, increasing access to finance, and job creation through apprenticeship opportunities for youth and women. The BASP will support non-chemical fertilizer MSMEs through technical support for optimal input utilization techniques, business administration, market linkages, and digitization of accounting systems including marketing and bookkeeping. The BASP is also expected to support the 'Apex body' that can import on behalf of the non-chemical fertilizer MSMEs to stabilize the market and ensure sustainability of member's business operations by expanding their portfolio ranges. These interventions are expected to transform non-chemical fertilizer MSMEs business performance to scale and improve fertilizer access for smallholder farmers.

The selected BASPs will be responsible for the four activities described below:

1. **Business and Technical Support:** BASP support will be provided to a total of **10 non-chemical fertilizer MSMEs** to improve their service delivery through addressing their internal administrative, technical and operational challenges that will allow them to be bankable. Selected MSMEs must meet the following criteria:
 - a. **Gender Parity:** At least 25% of the companies must be women-owned or led.
 - b. **Geographic Diversity:** At least 50% of the companies must be outside of Addis Ababa.
 - c. **Firm Commitment:** The BASP must obtain a signed commitment from participating firms indicating the firm's willingness to contribute 10% of the cost of the BASP's service cost and cooperate in services delivery.
2. **Firm-specific Operational and Financial Diagnostic:** The BASP will identify an appropriate business diagnostic tool and conduct firm-level business diagnostic. The diagnostic will 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.
3. **Based on the diagnostic, submit a proposal for services to be rendered:** The BASP must recommend the strategy, workplan and timeline to achieve such objectives and the MSME must approve the proposed changes required to achieve the objective of sales and revenue growth. The technical support must produce at minimum 10% sales and revenue growth annually, improvement in the production of non-chemical fertilizer, and enhancement in technical skills.
4. **Capacity building:** The BASP will also provide short-term consultancy and training services 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.

Acceptance of Deliverables / timeline

All deliverables will be reviewed by the CATALYZE MS4G Technical Manager (or his/her designee) for completeness and before being reviewed for acceptance and approved for payment. Deliverables may include, but are not limited to:

No.	Proposed Activity	Acceptance criteria	Due date	Payment Schedule
I	Executed service agreement	Signed contractual agreement with non-chemical fertilizer MSMEs, diagnostic and	Within 60 days from contract date	30%

	Firm level diagnosis Recommendation and Implementation plan	recommendation report. The report must include implementation plan, timeline, and expected outcome for business advisory support.		
2	Implementation reports a. Support enterprise in developing sustainable internal strategic plans. b. Provide technical (including soil health and fertility) as well as business development training. c. Work with enterprises to expand their market reach beyond their areas of existing operation and through one-stop shops and other retailers. d. Product promotion and demonstration.	Documented progress on interventions outlined in the implementation plan in the business for each participating non-chemical fertilizer MSMEs. Must include data on quarterly revenue, sales volume, value, and cash flow for each enterprise.	Quarterly bases from contract date	30%
3	Final Report	Final performance report. This report should summarize progress against each business’ implementation plan, data on revenue, sales volume and value, cash flow of enterprises as well as key learnings from the engagement. And show 10% revenue and sales increase. The technical support must produce at minimum 10% sales and revenue growth annually, improvement in the production of non- chemical fertilizer and enhancement in technical skills	12 months after the contract date	40%

Payment Scheme

- Non-chemical fertilizer MSMEs are expected to contribute 10% of the cost related to the services. The contribution can be provided in cash or kind.
- 90% will be covered by USAID CATALYZE MS4G program.