

## Amendment to Request for Proposal

**Amendment number:** 2

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

**Amendment effective date:** August 1, 2023

**Description of Amendment:**

1. This amendment serves to modify the closing date and time from June 16, 2023 to August 11, 2023
2. This amendment serves to update the purpose of the RFP as described on page 3 to include private capital mobilization and geographic specifications.
3. This amendment serves to update the instructions to offerors to include a request for applicants to highlight their experience and ability to serve the target geographic areas.
4. This amendment serves to modify Annex A: Scope of Work to include private capital mobilization and geographic specifications.
5. This amendment serves to modify the deliverables table under the "Acceptance of Deliverables/Timeline" section within Annex A: Scope of Work.

All changes are highlighted in the revised RFP attached.

## Request for Proposal (RFP)

Subject RFP #:	RFP-CATALYZE-217772-Ethiopia-2023-0029
RFP Issue Date:	June 01, 2023
Terms of Reference / Specifications:	Enhanced Agricultural Inputs and Fertilizer Distribution through Improved OSS Service Provision (BASP, Digitization and Youth Engagement)
Project	CATALYZE
The Company	Palladium International, LLC
Country of Performance	Ethiopia
Closing Date and Time	August 11, 2023, at 11:59 PM, Addis Ababa time (UTC +3)
Questions Deadline	<input checked="" type="checkbox"/> Accepted at <a href="mailto:EthiopiaMS4G.procurement@thepalladiumgroup.com">EthiopiaMS4G.procurement@thepalladiumgroup.com</a> by June 08, 2023 at 02:00 PM, Addis Ababa time (UTC+3) <input type="checkbox"/> N/A
Bidders' Conference	<input checked="" type="checkbox"/> Virtually on June 09, 2023 at 11:00 AM Addis Ababa time (UTC+3) <input type="checkbox"/> N/A
Details for Submission	Submissions will be accepted: <input checked="" type="checkbox"/> Electronically: email to <a href="mailto:EthiopiaMS4G.procurement@thepalladiumgroup.com">EthiopiaMS4G.procurement@thepalladiumgroup.com</a>
Offer Validity Period	120 days

Thank you for your interest in the above procurement. As implementer of 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 proposal to confirm compliance with this RFP and to determine the best proposal in the circumstances.

### 4. Alterations

The Company may decline to consider a proposal in which there are alterations, erasures, illegibility, ambiguity or incomplete details.

### 5. The Company's Rights

The Company may, at its discretion, discontinue the RFP; decline to accept any proposal; terminate, extend or vary its selection process; decline to issue any contract; seek information or negotiate with any potential supplier that has not been invited to submit a proposal; satisfy its requirement separately from the RFP process; terminate negotiations at any time and commence negotiations with any other potential supplier; evaluate proposals as the Company sees appropriate (including with reference to information provided by the prospective supplier or from a third party); and negotiate with any one or more potential suppliers.

### 6. Amendments and Queries

The Company may amend, or clarify any aspect of the RFP prior to the RFP Closing Time by issuing an amendment to the RFP in the same manner as the original RFP was distributed. Such amendments or clarifications will, as far as is practicable be issued simultaneously to all parties.

Any queries regarding this RFP should be directed to the Contact Person identified on the cover page of this RFP.

### 7. Clarification

The Company may, at any time prior to execution of a contract, seek clarification or additional information from, and enter into discussions and negotiations with, any or all potential suppliers in relation to their proposals. In doing so, the Company will not allow any potential supplier to substantially tailor or amend their proposal.

### 8. Confidentiality

In their proposal, potential suppliers must identify any aspects of their proposal that they consider should be kept confidential, with reasons. Potential suppliers should note that the Company will only agree to treat information as confidential in cases that it considers appropriate. In the absence of such an agreement, potential suppliers acknowledge that the Company has the right to disclose the information contained in their proposal.

The potential supplier acknowledges that in the course of this RFP, it may become acquainted with or have access to the Company's Confidential Information (including the existence and terms of this RFP and the TOR). It agrees to maintain the confidence of the Confidential Information and to prevent its unauthorised disclosure to any other person. If the potential supplier is required to disclose Confidential Information due to a relevant law or legal proceedings, it will provide reasonable notice of such disclosure to the Company. The parties agree that this obligation applies during the RFP and after the completion of the process.

### 9. Alternatives

Potential suppliers may submit proposals for alternative methods of addressing the Company's requirement described in the RFP where the option to do so was stated in the RFP or agreed in writing with the Company prior to the RFP Closing Time. Potential suppliers are responsible for providing a sufficient level of detail about the alternative solution to enable its evaluation.

### 10. Reference Material

If the RFP references any other materials including, but not limited to, reports, plans, drawings, samples or other reference material, the potential supplier is responsible for obtaining the referenced material and considering it in framing their proposal. And provide it to the Company upon request.

### 11. Price/Cost Basis

Prices or costs quoted must show the tax exclusive price, the tax component and the tax inclusive price.

The contract price, which must include any and all taxes, supplier charges and costs, will be the maximum price payable by the Company for the Goods and/or Services.

### 12. Financial information

If requested by the Company, potential suppliers must be able to demonstrate their financial stability and ability to remain viable as a provider of the Goods and/or Services over the term of any agreement.

If requested by the Company, the potential supplier must promptly provide the Company with such information or documentation as the Company reasonably requires in order to evaluate the potential supplier's financial stability.

### 13. Referees

The Company reserves the right to contact the potential supplier's referees, or any other person, directly and without notifying the potential supplier.

### 14. Conflict of interest

Potential suppliers must notify the Company immediately if any actual, potential or perceived conflict of interest arises (a perceived conflict of interest is one in which a reasonable person would think that the person's judgement and/or actions are likely to be compromised, whether due to a financial or personal interest (including those of family members) in the procurement or the Company).

### 15. Inconsistencies

If there is inconsistency between any of the parts of the RFP the following order of precedence shall apply:

- (a) these Terms and Conditions;
- (b) the first page of this RFP; and
- (c) the Schedule

so that the provision in the higher ranked document will prevail to the extent of the inconsistency.

### 16. Collusion and Unlawful Inducements

Potential suppliers and their officers, employees, agents and advisors must not engage in any collusive, anti-competitive conduct or any other similar conduct with any other potential supplier or person or quote any unlawful inducements in relation to their proposal or the RFP process.

Potential suppliers must disclose where proposals have been compiled with the assistance of current or former the Company employees (within the previous 9 months and who was substantially involved in the design, preparation, appraisal, review, and or daily management of this activity) and should note that this may exclude their proposal from consideration.

Potential suppliers warrant that they have not provided or offered any payment, gift, item, hospitality or any other benefit to the Company, its employees, consultants, agents, subcontractors (or any other person involved in the decision-making process relating to this RFP) which could give rise to a perception of bribery or corruption in relation to the RFP or any other dealings between the parties.

### 17. Jurisdiction

This RFP shall be subject to the laws of the District of Columbia, United States of America. The language of the arbitration will be English.

The Potential Supplier and the Company will use their best efforts to settle amicably any dispute, controversy, or claim arising out of, or relating to this RFP or the breach, termination, or invalidity thereof. If no agreeable settlement can be found, any dispute, controversy, or claim arising out of or relating to this RFP or the breach, termination, or invalidity thereof, shall be settled by mediation through the American Arbitration Association by filing a request for mediation with the AAA and the other party. The Parties will be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute.

## 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 focusing 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 price 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 multiple Business Advisory Service Providers (BASPs) to strengthen and improve the capacity of at least 100 agricultural One Stop Shops (OSS) through business advisory service provision, digitization of OSSs' services, **capital mobilization**, and creation of youth apprenticeships or employment for better fertilizer and agricultural inputs distribution to farmers. Each BASP is expected to support 5 to 20 OSS enterprises (minimum 5 and maximum 20). **Selected BASPs are expected to serve OSS enterprises in Afar and Tigray, and specific zones in Amhara (North Wollo, North Shewa, South Wollo, and Weg Hemra).**

A complete scope of work is attached as Annex A.

## Type of Contract

Palladium intends to issue Pay-for-Result (P4R) subcontracts to selected offerors.

## Anticipated Contract Period of Performance

Subcontracts will be offered to winning bidders for a period of **12 months** with the option for renewal based on performance and the availability of funding, at the sole discretion of 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 to **Afar and Tigray, and specific zones in Amhara (North Wollo, North Shewa, South Wollo, and Weg Hemra).**

## 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 info 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 offeror.
- (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. The applicant should demonstrate experience providing technical assistance in input supply, distribution, or automating and digitizing businesses. Applicants should demonstrate experience in facilitation of apprenticeships or creating employment for youth and women. Applicants should highlight their experience performing successful work in the target geographic areas, including any network of existing OSS enterprises in the areas (maximum 2 pages).
- (c) **Technical Proposals:** 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 below. Applicants should highlight how they will go about engaging OSS enterprises in the target geographic areas (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. 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. These CVs must receive approval by MS4G prior to implementation. CVs must be provided as an annex to this proposal (maximum 2 pages)
- (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-SMEs capacity building, job creation and digitalization; proven experience of working in agricultural input, 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)
- (g) All supporting documentation specified below in the pass/fail evaluation criteria.

The selected offeror will be required to complete the Due Diligence Questionnaire (attachment 1) and provide a UEI number within 10 days of being notified of selection.

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](https://www.fsd.gov/sys_attachment.do?sys_id=af05f8fb1b44851006b09796bc4bcb6d))

*Bidders can attach proof of application for UEI number following the above guideline for support in obtaining your UEI!*

## 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](mailto:EthiopiaMS4G.procurement@thepalladiumgroup.com). The cost proposal consists of:

- (a) Budget in Microsoft Excel with all formulas visible (unlocked)
- (b) Accompanying Word Document with all cost assumptions and explanations

### Key assumptions

- Budget in Ethiopian Birr only.
- OSS is expected to contribute 15% of the cost related to the services. The contribution can be provided in cash or in-kind.

- 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.

## 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-2023-0029** 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 a best value trade off methodology. This is a three-stage process.

- (1) The first set of criteria is graded on a pass/fail basis. Offerors must meet the following minimum eligibility qualification criteria and provide supporting documentation:

**Table 1. Eligibility requirement**

#	Requirement	Supporting Documentation
(a)	Must be a registered legal entity in Ethiopia for a minimum of three years.	Copy of renewed business license certificate or articles and Memorandum of Association
(b)	Must not have any active exclusions from 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	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
<b>1. Sector coverage and firm profile</b>		
a. The expertise of the offeror within preferred agricultural sector especially in input supply and fertilizer provision sectors.	Firm profile	10
<b>2. Technical proposal</b>		
a. Technical approach – A clear technical approach that depicts a proposal showing the firm's understanding of the challenges, actions identified to address them and on 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	Technical approach and staffing plan	12

needed experts and monitoring arrangements.		
c. Workplan – 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
<b>3. Key Personnel and Staffing Plan</b>		
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. <ul style="list-style-type: none"><li>- Team Leader has at least five years' experience supporting enterprises, farmers, youth engagement, and intermediaries in business development and sales-related activities in anchor firm contracts.</li><li>- At least two key personnel with a minimum of 5-year experience in Agri business and related professions.</li></ul>	Staffing plan and CVs	20
<b>4. Past Performance.</b>		
a. Practical experience of providing business advisory support services to specific agribusiness SMEs or OSSs.	Past performance references	15
b. Demonstrated experience of helping enterprises input supply, distribution and automating/digitizing their business.	Firm profile and performance references	1.1.1. 15
c. Demonstrated experience in facilitation of apprenticeship or employment of youth and women in Agri-SMEs		
<b>5. Gender Equity</b>		
a. Service provider is majority women-owned (50%), women managed or led businesses, legal registered entity in Ethiopia.	Shareholder Agreement or equivalent, business licence and Articles and Memorandum of Association.	5
TOTAL		100

(3) The offeror's cost proposal will be evaluated for:

- Proposed total price, relative to other offers received.
- Realism and reasonableness of the work to be performed.
- Price reflects a clear understanding of the requirements.
- Price is consistent with various elements of the technical proposal.
- Compliance with USAID cost principles (select one: Non-profit entities – Cost Principles in 2 CFR 200 Subpart E or For-Profit entities – Cost Principles in FAR Part 31).

Palladium reserves the right to award under this solicitation without further negotiations. The offerors are encouraged to offer their best terms and prices with the original submission.

## PROCUREMENT INTEGRITY AND ETHICS



It is Palladium's policy that no gifts of any kind and of any value be exchanged between vendors/contractors and Palladium personnel. Discovery of the same will be grounds for disqualification of the vendor/contractor from participation in any Palladium's procurements and may result in disciplinary actions against Palladium personnel involved in such discovered transactions.

### **Resulting Award**

This RFP in no way obligates Palladium to award a contract. Palladium may opt to select multiple offers in response to this RFP.

Any contract/purchase order resulting from this solicitation must be signed by both parties in order to be considered valid and in force. All costs associated with, but not limited to, production, preparation and/or delivery of goods or services, including deliveries, accepted by Palladium staff, without a fully executed (signed by both parties) contract/purchase order, are at the vendor's risk only. Palladium shall not pay for any costs, without limitation, associated with production, preparation or delivery of goods and/or services under this or any other contract/purchase order, which has not been signed by both parties.

If your proposal is successful, you will be required to enter into the Company's standard contract for the types of goods or services being provided. In the provision of the Goods and Services, you will be required to comply with the Company's policies, including (without limitation) its Business Partner Code of Conduct and any relevant client terms and conditions. Potential suppliers must also comply with the Company's Business Partner Code of Conduct in the submission of any proposals pursuant to this RFP.

If you are bidding as part of a joint venture, partnership or similar, please make this clear in your submission. Likewise, if you propose to subcontract any part of the goods or services provision, then disclose this fact within your submission. The Company may require additional information from you and approval for subcontracting will not be automatic as subcontractors will be subject to Palladium's Due Diligence process.

### **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, you will certify that 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.

Attachement 1 - Budget Template

Attachement 2 - Due Diligence Questionnaire

Attachment 3 - FFATA Form (will be required only for successful offeror, where applicable – included for awareness only)

Attachment 4 - FFP-Subcontract-Template (will be required only for successful offeror, where applicable – included for awareness only)

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](mailto:Catalyze.procurement@thepalladiumgroup.com)



## Annex A: Scope of Work

The purpose of this RFP is to select a business advisory service provider (BASP) on a Pay-for-Result (P4P) basis to help the OSS to improve their business performance, support them with their organizational and operational long- and short-term strategic plan, by improving their market linkage, access to finance for investment plans and create job and apprenticeship opportunities for youth and women. BASPs will be supporting OSSs through technical support for optimal inputs utilization techniques, business administration, market linkages, **financing**, and digitization of accounting systems including marketing and bookkeeping. These interventions are expected to transform OSS business performance to scale and reach more smallholder farmers, creating improved access to fertilizer.

BASPs are expected to provide technical assistance **in one or more of the following areas:**

- **Youth Programming:** provide skilled youth and women apprenticeships and new job creation opportunities within the OSSs and provide technical support to the OSSs in human capital management.
- **Business Support:** BASP support will be provided to a total of 100 OSSs to improve their service delivery through addressing their internal administrative and operational challenges that will allow them to be bankable.
- **Digital Economy:** design an activity to strengthen the business support ecosystem supporting the OSS to automate and digitize their service delivery, inventory system and client management to help enhance sales of fertilizer directly (and other products indirectly).
- **Capital Mobilization:** facilitate credit and/or investments for OSS enterprises through financial institutions or private sources.

Selected OSS are expected to meet the following criteria:

- **Gender Parity:** At least 50% of the enterprises must be women-owned or led.
- **Geographic Diversity:** qualifying OSS enterprises must be located in Afar, Tigray or specific zones in Amhara (North Wollo, North Shewa, South Wollo, and Weg Hemra).
- **Firm Commitment:** BASPs must obtain signed commitment from participating enterprises indicating the enterprise's willingness to contribute 15% of the cost of the BASP's service cost and cooperate in services delivery.

Selected BASPs will be responsible for performing the activities described below with each OSS:

- **Firm-specific operational and financial diagnostic:** Identify an appropriate business diagnostic tool and conduct firm-level business diagnostic. Take stock of the current situation, identifying gaps, critical issues and immediate future needs to drive business improvement and gain efficiency. The diagnostic must assess and identify challenges and opportunities that need to be addressed by the company to grow its sales and revenue.
- **Based on the diagnostic, submit a proposal for services to be rendered:** The firm must approve the proposed changes required to achieve the objective of sales and revenue growth. The BASP must recommend the strategy, workplan, and timeline to achieve such objectives. **The technical support must produce at minimum 10% sales and revenue growth annually.**
- **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. Final deliverables will be developed at the time of contracting but will fall into the categories below. Other deliverables may be added as deemed reasonable.

No.	Proposed Deliverable	Acceptance criteria	Due date	Payment Schedule
1	OSS selection	Signed contractual agreement with MS4G approved OSS, diagnostic and recommendation report. The report must include implementation plan, timeline, and expected outcome for business support.	Within 60 days of the contract start date	Up to 30% of the total contract value. Paid on a per enterprise basis.
2	Evidence of completion of services	Demonstration of progress against each business's implementation plan and evidence of key metrics achieved.	Within 12 months of the contract start date	Up to 70% of the total contract value. Paid on a per enterprise basis based on the type of service provided.