

## Request for Proposal (RFP)

Subject RFP #:	RFP-CATALYZE-PHIL-2023-0004
RFP Issue Date:	September 21, 2023
Terms of Reference / Specifications:	Business Advisory Service Providers
Project	CATALYZE Philippines
The Company	Palladium International, LLC
Country of Performance	Philippines
Closing Date and Time	October 13, 2023, 5:00pm Manila, 5:00am EST
Questions Deadline	<input checked="" type="checkbox"/> Accepted at <a href="mailto:catalyze.procurements@thepalladiumgroup.com">catalyze.procurements@thepalladiumgroup.com</a> by September 29, 2023, 5:00pm Manila; 5:00am EST <input type="checkbox"/> N/A
Bidders' Conference	<input checked="" type="checkbox"/> October 9, 2023, 10:00am Manila; October 8, 2023, 10:00pm EST <input type="checkbox"/> N/A
Details for Submission	Submissions will be accepted: <input checked="" type="checkbox"/> Electronically: email to <a href="mailto:catalyze.procurements@thepalladiumgroup.com">catalyze.procurements@thepalladiumgroup.com</a>
Offer Validity Period	90 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 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**

The CATALYZE Blended Finance Mechanism is a \$250 million, 8-year contract (5-year base period beginning 2019, with a single 3-year option period) which uses a facilitated partnership model to craft solutions to crowd in \$2 billion in blended finance (i.e., blended concessional and commercial finance) to USAID partner countries and initiatives. CATALYZE allows USAID Bureaus and Missions to efficiently deploy investment facilitation solutions that respond to the needs of specific sectors, issues, and geographies.

In the Philippines, CATALYZE has developed an activity to promote sustainable employment and improve health outcomes for vulnerable youth. The project will work with young adult (ages 18-24) members of Pantawid Pamilyang Pilipino Program (4Ps) households who have completed senior high school and desire to enter the labor force.<sup>1</sup> With a focus on women, CATALYZE will provide skills training and employment opportunities, an integrated health curriculum, and linkages to health services through various platforms.<sup>2</sup> Furthermore, CATALYZE will engage adolescent girls (ages 14-18) belonging to 4Ps households through a peer mentorship program to promote confidence, life skills, and knowledge of healthy behaviors. Thus, CATALYZE's approach to workforce and health development aims to ensure both 4Ps adolescents and young adults are equipped with essential skills and knowledge to sustain healthy livelihoods.

## **Purpose**

The purpose of this RFP is to identify organizations to provide business and transaction advisory services to private sector partners in support of capacity strengthening, quality improvement, and capital mobilization. Private sector partners (or "clients") must agree to support CATALYZE Philippines in at least one of the following ways:

- 1) Act as employers who agree to hire, interview, or sponsor on-the-job training for program participants.
- 2) Act as private technical vocational institutions (TVIs) who will train program participants in technical skills and workforce readiness.
- 3) Act as health enterprises who will provide health services (e.g., primary care, telemedicine, family planning counselling and services, etc.) to program participants.

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<sup>1</sup> The Pantawid Pamilyang Pilipino Program is a government conditional cash transfer program for low-income households overseen by the Department of Social Welfare and Development.

<sup>2</sup> While the mandate of this buy-in prioritizes women and girls, men and boys will not be excluded from the proposed activities. Marketing, outreach, and programmatic design will focus on women's needs and considerations. The language in this document reflects this perspective, so although boys and men are not mentioned they will still be welcomed as program participants.

CATALYZE Philippines will independently source partnerships with the above stakeholders and may present these partners to the BASP for evaluation of their business and capital needs. Simultaneously, the BASP will be tasked with identifying new clients who have capital needs and are interested in entering a partnership with CATALYZE Philippines.

A complete scope of work may be found under Annex A.

### **Type of Contract**

Palladium intends to issue a Pay-For-Results (P4R) based Firm Fixed Price subcontract to the selected offeror. Palladium expects to award one or more subcontracts under this RFP. Under P4R, the principle or funder sets financial incentives for an entity to deliver predefined outcomes and rewards achievements of the results upon verification. Once awarded, CATALYZE and the offeror will develop milestones for the offeror to achieve based on the proposed deliverables, participants trained, or other factors.

An illustrative deliverables and payments schedule may be found under Annex B.

### **Anticipated Contract Period of Performance**

November 2023 – September 2024 with the option for continuation year by year. CATALYZE will evaluate the offeror's performance to determine contract renewal.

### **Place of Performance**

The activities to be performed under this contract will take place in or around Pasig City, Metro Manila and Naic, Cavite, Philippines.<sup>3</sup>

### **Instructions to Offerors**

All submitted materials must be in English.

Electronic proposals must be submitted by sending two separate emails to [catalyze.procurements@thepalladiumgroup.com](mailto:catalyze.procurements@thepalladiumgroup.com), one for technical proposal and one for cost proposal with the RFP number in the subject lines. Ensure all required documents are attached. 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.

Palladium may contact offerors for clarifying questions.

The selected offeror will be required to complete the Due Diligence Questionnaire (attachment 1) and provide a UEI number within 5 days of being notified of selection.

### **Technical Proposal**

For the technical proposal, the offeror must submit:

- (a) Cover letter containing:
  - 1. Organization's contact information and address
  - 2. Type of enterprise or organization
  - 3. Unique Entity Identification (UEI) Number (organization must have a UEI number or obtain one within 5 days of being notified of selection)
  - 4. Signature of an authorized representative of the organization
- (b) Background and overview of the firm (max 1 page)

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<sup>3</sup> Naic pending finalization.

- (c) Technical Proposal (max 5 pages) containing:
1. Outline of the approach, including:
    - i. Strategy to identify small and medium enterprises (SMEs) to partner with CATALYZE and avail business/transaction advisory services.
    - ii. Method to determine which forms of support are appropriate for different SMEs, illustrative examples of support packages.
    - iii. Process for identifying, supporting, and closing financial deals.
  2. Implementation timeline and illustrative workplan
- (d) Management Approach (max 2 pages)
1. Identify the Activity Manager and up to 2 additional personnel undertaking important roles in the activity, and briefly describe their roles and prior demonstrated success. It is recommended but not required that the offeror indicate the personnel responsible for module creation and delivery of training.
  2. Provide CVs for the Activity Manager and up to 2 additional personnel (**CVs do not count towards page limit and should be included as a separate annex**)
  3. Identify and describe the roles of any proposed partners or subcontractors.
- (e) Monitoring, Evaluation, and Learning Reporting (max 2 pages)
1. Approach for data collection, quality assurance, reporting, and compliance on the following illustrative indicators (offerors may propose additional indicators):
    - i. Value of private capital mobilized.
    - ii. Demonstration that business and transaction advisory services directly leads to better training, employment, or health access among program participants
- (f) Gender Mainstreaming Plan (max 1 page)
1. Gender mainstreaming involves identifying and addressing the unique barriers a gender may face in accessing services and participating. The offeror should consider the barriers female trainees may encounter and propose appropriate solutions.
  2. CATALYZE requires 60% of participants are female. The offeror should describe methods, including additional support and targeted outreach to meet this requirement.
- (g) Past Experience Information/Capability Statement (max 2 pages)
1. Briefly describe the offeror's (as well as any partners') previous work, experience, and demonstrated success in achieving activity goals.

### Cost Proposal

Offerors must submit a cost proposal. CATALYZE will provide a budget template upon request through [catalyze.procurements@thepalladiumgroup.com](mailto:catalyze.procurements@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 (e.g., salaries, travel, etc)
- (c) Proposed duration of technical components
- (d) Illustrative Deliverables and Payment Schedule (see Annex B for example)

### Key assumptions

- Budget in USD
- All prices are to be inclusive of relevant taxes.
- Separate unit cost and number of units
- Break down activity costs into as much detail as possible.
- Offeror should budget for:
  - Defense Base Act (DBA) insurance in accordance with FAR 52.228-3, as applicable.

### 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:

	<b>Requirement</b>	<b>Supporting Documentation</b>
(a)	Must be a registered legal entity in Philippines for a minimum of one year	Copy of certificate or articles and memorandum of associate
(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	N/A
(c)	Must not be affiliated with any political party nor engaged in any partisan activities	N/A

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

<b>Evaluation Criteria</b>	<b>Documents Evaluated</b>	<b>Points</b>
Soundness and reasonableness of technical approach	Technical Proposal, Management Approach	45
Offeror's demonstrated capability to carry out proposed approach	Technical Proposal, Management Approach, Past Experience Information/Capability Statement	20
Experience and considerations working with SMEs and financial institutions	Past Experience Information/Capability Statement	25
Alignment with CATALYZE's Guiding Principles and criteria for successful submissions (Annex A)	Technical Proposal	10
<b>TOTAL</b>		<b>100</b>

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

- Proposed total price.
- Realism and reasonableness of the work to be performed.
- Personnel proposed.
- 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 the proposal is successful, the offeror 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, the offeror 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. Palladium may require additional information from the offeror 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.

Attachment 1- Due Diligence Questionnaire

Attachment 2- FFATA Form (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.procurements@thepalladiumgroup.com](mailto:Catalyze.procurements@thepalladiumgroup.com)



## Annex A: Scope of Work

CATALYZE invites offerors to submit proposals that will support existing private sector partnerships and incentivize new partnerships through business and transaction advisory services. Business and transaction advisory services should strengthen organizational capacity, improve the quality of services offered, and facilitate growth through access to finance (e.g., debt or equity loans).

There are three classes of private sector partners whom the offeror will support:

- 1) Employers who agree to hire, interview, or sponsor on-the-job training for program participants.
- 2) Technical vocational institutions (TVIs) who will train program participants in technical skills and workforce readiness.
- 3) Health enterprises who will provide health services (e.g., primary care, pre-employment services, telemedicine, family planning counselling and services, etc.) to program participants.

The selected offeror will work with SMEs on a case-by-case basis business to understand their needs and develop appropriate solutions, which may range from the preparation of business plans, obtaining financing, preparation of financial statements, and providing technical, tax and regulatory advice, among others.

In some cases, the selected offeror will play a critical role in connecting SMEs with financing opportunities from financial institutions (FIs) and guiding them through the financing application process, with the goal of closing transactions efficiently and effectively.<sup>4</sup> SME financing may be secured from any registered and legally operating financial intermediary or provider located in the Philippines or even internationally (i.e., impact investors, crowdsourcing funding platforms, international grant makers).

When proposing new partnerships and financial deals, the selected offeror will be required to submit information to CATALYZE for the purposes of due diligence and vetting.

### Guiding Principles

Though this call is not prescriptive and invites innovative, cost-effective solutions, CATALYZE Philippines reminds offerors to clearly emphasize the following Guiding Principles:

**Place Youth in Decent Jobs.** CATALYZE supports initiatives that prepare its youth participants for employment. Appropriate clients for the selected offeror will demonstrate a commitment to this principle and agree to support the youth participants of the CATALYZE Philippines program through skills training, on-the-job training, interview guarantees, or employment guarantees.

**Support Youth Access to Health Services.** The CATALYZE activity incorporates a number of integrated health components that are essential to the success of the model, including knowledge formation, telemedicine services, family planning counseling and provision of family planning commodities. Appropriate clients for the selected offeror will be private-sector health SMEs that are committed to providing care and services to program participants.

**Actively Target Women.** CATALYZE has an explicit focus on women's economic empowerment

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<sup>4</sup> Financing or private capital is broadly defined as financing provided by non-state established private finance providers of new loans or financing, including debt instruments for the purposes of refinancing, restructuring, lines of credit, letter of credit, promissory notes, invoice and receivable financing (factoring), export financing, and recoverable grants, or any other financial or investment product or mechanism supporting SMEs in the Philippines.



to strengthen the economic role of women as both entrepreneurs and employees. Client SMEs that are women-owned or majority female-employed are preferred; additionally, client SMEs that specifically cater to women will be prioritized. We require successful offerors to present a targeted strategy for ensuring women are not just included but are actively engaged with and benefit from their services.

**Innovate and scale.** CATALYZE seeks initiatives that would not be possible without USAID support. We will not fund existing operations or “business as usual.” We seek to accelerate and scale market-driven innovation in business and transaction advisory services for the target clientele.

**Co-invest.** CATALYZE is focused on mobilizing private capital for job creation, training, and placement. Successful offerors will demonstrate co-investment, either financially or in-kind, in the initiative.

**Adapt.** To ensure services directly related to program needs, the offeror must be willing and available to collaborate with CATALYZE and the private sector to adjust their strategy and offerings as needed.

**Successful Submissions** will demonstrate:

- An effective approach to identify qualified SMEs in need of financing.
- Loan packaging expertise.
- The capability to provide additional services to SMEs that may include, but are not limited to:
  - Educating Filipino SMEs about debt and equity financing options in the market, including requirements to access financing, rates, and of the landscape of the financial industry.
  - Identifying financing opportunities and build or develop a pipeline of potential SMEs that are seeking financing with detailed information regarding the financing need and specific services required from the SME, its investment goals and use of capital.
  - Arranging credit and/or investments for approved SMEs within various sectors throughout the geographic area. Financial facilitation support may include but is not limited to:
    - Development of business plans or application for debt/equity in support of SMEs.
    - Support with and submission of SMEs proposals to financial institutions.
    - Following through to obtain financing term sheet and support the due diligence and closing the funding process to the SME client.

## Annex B: Illustrative Deliverables and Payment Schedule

The payment structure of this contract will be a mix of deliverables-based fixed payments (approximately 30% of contract value) and performance-based payments (up to 70% of contract value). CATALYZE will negotiate the final structure with the selected offeror(s), ensuring that performance metrics are clearly defined and measurable. Offerors are highly encouraged to propose their own deliverables and payment schedule.

Deliverable	Deadline	Payment Amount
<b>Fixed/Milestone-based Deliverables</b>		
<b>Draft work plan and timeline</b>	3 weeks from award date	10% of contract value
<b>Strategy for building SME pipeline</b>	5 weeks from award date	20% of contract value
<b>Performance-based Deliverables</b>		
<b>Financing application document with proof of receipt from FI</b>	6 weeks after award date + ongoing	Up to 1% of transaction value (up to cap of US \$XX)
<b>Transaction approval (Financing agreement document with term sheet and confirmation of SME client signature)</b>	6 weeks after award date + ongoing	Up to 3% of transaction value (up to cap of \$XX, minus payment for financing application)
<b>Documentation of business advisory services performed</b>	6 weeks after award date + ongoing	\$\$ per SME supported up to cap of \$XX