

Request for Proposal (RFP)

Subject RFP #:	RFP-CATALYZE-217772-Ethiopia-2023-0135
RFP Issue Date:	November 09, 2023
Terms of Reference / Specifications:	Call for Business Advisory Service Providers for MSMEs
Project	CATALYZE MS4G
The Company	Palladium International, LLC
Country of Performance	Ethiopia
Closing Date and Time	December 15, 2023
Questions Deadline	<input checked="" type="checkbox"/> Accepted at ethiopiams4g.procurement@thepalladiumgroup.com by November 19, 2023, at 5:00 PM, Addis Ababa (UCT+3) OR <input checked="" type="checkbox"/> Call Phone # 251 118220830 if challenged to send an email.
Bidders' Conference	<input checked="" type="checkbox"/> Virtually on November 20, 2023, at 10:00 AM, Addis Ababa (UTC+3)
Details for Submission	Submissions will be accepted: <input checked="" type="checkbox"/> Electronically: email to ethiopiams4g.procurements@thepalladiumgroup.com <input checked="" type="checkbox"/> In hard copy (sealed bids): Kirkos Sub City, Woreda 09, House No. 501/004/498, Minaye Building 5 th floor, Addis Ababa Phone # 251 118220830
Offer Validity Period	180 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, and environmental benefits.

Project Background

USAID CATALYZE Market Systems for Growth (CATALYZE MS4G) is an activity focused on creating transformative outcomes in the food security and water, sanitation, and hygiene sectors (WASH). To achieve these goals, the activity will work towards increasing of sales of MSMEs owned or managed by youth and women, mobilize capital, and support stakeholders to self-advocate toward policy change which will promote opportunities for the private sector community.

Purpose

The purpose of the RFP is to establish a network of business advisory service providers (BASPs) that provide quality services to micro, small, and medium enterprises (MSMEs) by helping them develop and execute solutions that drive sustainable business growth in MS4G priority sectors (i.e., WASH, food security, and fertilizer). Specific objectives include:

1. Improve the performance capacity and revenue of MSMEs and smallholder farmers in Ethiopia.
2. Increase access and availability of finance for MSMEs and smallholder farmers in Ethiopia.
3. Accelerate recovery and increase the economic resilience of MSMEs and smallholder farmers in conflicted affected areas of Northern Ethiopia.

A complete scope of work is attached as Annex A.

Type of Contract

Palladium intends to issue multiple awards under this RFP, as follows:

- For individual offerors (consultants), Fixed Price Independent Consultant Agreement.
- For organizational offerors (businesses or firms), Firm Fixed Price subcontract.

Each agreement will have a maximum billable ceiling amount of USD 240,000, issued with incremental funding obligations. The actual contract ceiling will be determined by the BASP's proposed targets of MSMEs to be supported, included in offerors' proposals. The contract ceiling price will be in ETB calculated at the prevailing exchange rate on the date of signing.

Performance will be monitored regularly, and the full award ceilings may not be obligated due to delay or non-performance.

Anticipated Contract Period of Performance

The contract is expected to occur over a period of no more than 24 months.

Place of Performance

The activities to be performed under this RFP will take place in Ethiopia, including in conflict-affected areas of Amhara, Tigray, and Afar regions.

Key Deliverables and Timeline

Offerors will be paid upon achievement of deliverables as outlined in **Annex A**, which includes details on the requirements and payment amount associated with each deliverable, which vary depending on the service provided and the size of the enterprise client served.

Instructions to Offerors

Technical proposals must be submitted by email or in hard copy no later than the time and date specified on the cover page. Offerors must submit their technical proposal using the template provided in Attachment I to this RFP.

I. Technical Proposal

In their Technical Proposal, Offerors will be expected to propose how they will identify and serve eligible MSMEs. Technical proposals must be submitted using the template provided in **Attachment I**.

As part of the Technical Proposal, the offeror must submit:

- 1) Cover letter with the following information:
 - i) Offeror's contact information and address.
 - ii) Type of company or organization (not applicable to individuals).
 - iii) Confirmation of commitment to apply for a Unique Entity Identification (UEI) within 5 days of being notified of selection (not applicable for individual respondents).
 - iv) Signed by an authorized representative of the offeror.
- 2) Background of the offeror and relevant expertise, including experience streamlining women focused activities. Offerors should include the CVs of key personnel proposed as an annex to the proposal. (maximum 0.5 page).
- 3) MSME engagement approach highlighting how the offeror intends to onboard and engage MSMEs for services and describe the number and type of MSMEs it plans to target (i.e., size, sector, location, etc.). Here, the offeror is also expected to state how they will cater to women and youth-owned or led enterprises including those MSMEs from conflict-affected areas (maximum 2 page).
- 4) Core services statement describing the variety of services the Offeror plans to provide to eligible MSMEs; how it will implement the plan; and justifying how the services delivered will enable the client MSMEs to achieve meaningful and reasonable revenue growth targets. Offerors should also provide a work plan (Gantt Chart) indicating specific activities to be undertaken with timeline and explaining how the offeror will collect required monitoring and verification data (maximum 2 pages)
- 5) Description of targeted geography, local presence, and any existing networks that will aid in the delivery of the proposed services. (maximum 0.5 page)
- 6) 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

Total subcontract costs will be determined based on the number of MSMEs served per the payment schedule outlined in the deliverable table in Annex A. Therefore, Offerors are not required to submit cost proposals at this time and final contract values will be determined at the time of award based on the number of MSMEs proposed and accepted by CATALYZE MS4G.

The selected Offeror will be required to complete the Due Diligence Questionnaire (attachment 2) and provide a UEI number within 5 days of being notified of selection unless Offeror meets the following exemptions:

- The proposed subcontract value is less than USD 25,000.

Submission of Offers

Technical proposals should be submitted either through email or in hard copy with the RFP number in the subject line.

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 two-stage process as outlined below.

(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:

	Requirement	Supporting Documentation
(a)	<p>Firm- Must be a registered legal entity in Ethiopia.</p> <p>Individual - Must have a professional license or any other relevant certificate (including a degree in a related field) that can show the individual's ability to provide business advisory services.</p>	<p>Firm – copies of Registration certificate, renewed business license, TIN, VAT, or articles and memorandum of associate.</p> <p>Individual – Copies of TIN and professional license, certificate, or degree</p>
(b)	Must not have any active exclusions from the US government (www.sam.gov), the UN Sanctions List, or the US Department of the Treasury Office of Foreign Asset Control (OFAC).	Not applicable (Palladium will do online checking with the pass/fail evaluation).
(c)	Must have a Unique Entity Identifier (UEI) or submit proof of UEI registration. Offerors can register at SAM.gov. <i>(Please try to register before the Bidders' Conference and alert MS4G staff to any registration problems.)</i>	UEI number, screenshot of registration confirmation, or email confirmation of registration.
(d)	Company must not have a controlling interest held by a government, government agency, or agent thereof. To qualify, one or more private companies and/or individuals must have more than 51% of the ownership of the organization, and the management and daily business operations must be controlled by them.	Offeror's declaration submitted with technical proposal.

(2) If these minimum criteria are met, then, the offer's technical proposal will be evaluated qualitatively using the technical criteria listed in the table below:

Evaluation Criteria	Documents Evaluated
I. Technical competence and subject matter expertise. The extent to which the Offeror demonstrates relevant experience, subject matter expertise, and ability to successfully implement the services specified in its proposal.	a) Technical Proposal – background and relevant experience section b) Key Personnel CVs
II. MSME Engagement Approach. The extent to which the Offeror has stated in detail its proposed approach towards MSME outreach highlighting the number and type (size, sector) of MSMEs proposed and how the offeror intends to onboard and engage with MSMEs and convert them into new clients upon successful application. The Offeror is required to explain how they will serve women or youth-owned or -led enterprises and highlight which MSMEs are operating in conflict-affected areas.	a) Technical Proposal – MSME engagement approach section.
III. Core Services. The extent to which the Offeror has: <ul style="list-style-type: none"> a. Described the variety of products and services they plan to offer to eligible MSMEs (including those from conflicted affected areas). b. Explained how the services delivered will enable the MSME to achieve meaningful and reasonable revenue growth targets. c. Provided a management and monitoring plan that will allow the Offeror to collect and verify required monitoring and impact data and information. 	a) Technical Proposal – core services section
IV. Geography, Local presence. The extent to which the offeror has experience providing services to underserved locations such as conflict-affected areas of Amhara, Tigray, and Afar or an interest and plan to expand its service to new areas.	a) Technical Proposal – geography and local presence Section

Qualitative Scores

Score	Explanation
Outstanding (O)	The application greatly exceeds minimum requirements/expectations. It has several significant strengths and contains no significant weaknesses or deficiencies. Any weaknesses can be easily resolved and pose little or no risk. The proposal suggests an extremely high rate of success.
Very Good (VG)	The application exceeds minimum requirements/expectations. It includes some strengths and/or significant strengths, as well as some weaknesses. It has no significant weaknesses or deficiencies. Overall risk is considered to be very low.
Satisfactory (S)	The application meets minimum requirements/expectations. It may contain some strengths or significant strengths but also contains some weaknesses or significant weaknesses. It contains no deficiencies. There is a moderate to low risk that the proposal will be unsuccessful.
Marginal (M)	The application meets minimum requirements/expectations. It contains few strengths but has several weaknesses or significant weaknesses. It may contain deficiencies, but revisions may be upgraded to resolve deficiencies and reduce overall risk. As is, there is a moderate performance risk.
Unsatisfactory (U)	The application does not meet minimum requirements/expectations. It contains deficiencies and/or significant weaknesses that have a low chance of improvement through revision. It may contain strengths, but they are outweighed by the combination of significant weaknesses/deficiencies. Performance risk is unacceptably high.

Applications that score Satisfactory and above in all criteria will move to the next stage.

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 of 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 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 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 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 – Technical Proposal Template

Attachment 2 – Due Diligence Questionnaire (will be required only for successful offeror)

Attachment 3 – 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_requested_through_email_from_Catalyze.procurements@thepalladiumgroup.com

Annex A: Scope of Work

Objective

The purpose of the RFP is to establish a network of Business Advisory Service Providers (BASPs) that provide quality services to micro, small, and medium enterprises (MSMEs) in MS4G target sectors by helping them develop and execute solutions that drive sustainable business growth. Specific objectives include:

1. Improved capacity and incomes of MSMEs and farmer enterprises in Ethiopia.
2. Increased access and availability of finance for MSMEs in Ethiopia.
3. Accelerated recovery and increased economic resilience of MSMEs and smallholder farmers in conflicted affected areas of Northern Ethiopia.

Selected BASPs will undertake the following activities.

1. Enterprise diagnostics and growth plan development - assess each MSME to identify their challenges and propose solutions to achieve sales and revenue growth and increased income.
2. Provide support to implement the growth plan - efforts will focus on increasing revenue and mobilizing capital for MSMEs. BASPs have the option to choose one or more of the following services:
 - a. **Financial Management:** services may include but are not limited to developing financial plans; formalizing or digitizing financial record-keeping and planning to enable enterprise growth.
 - b. **Marketing and sales:** developing marketing, sales, and distribution strategies to help enterprises improve customer acquisition and retention, including developing online visibility and sales.
 - c. **Operations:** Services may include but are not limited to assistance related to streamlining or automating processes, reducing costs, and increasing efficiency to enable sustainable enterprise growth.
 - d. **Digital capabilities:** onboard MSMEs to digital platforms and systems to improve financial management, sales and marketing, operations, and other growth-enabling activities.
 - e. **Business Skills:** on-the-job training and coaching for employees that enable improved enterprise management for sustainable growth.
 - f. **Capital Mobilization:** services include but are not limited to documentation and organization of financial records and plans to support loan applications; and development of growth plan for deploying loan/investment proceeds.

In addition to the above core service areas, BASPs may also provide other cross-cutting services.

Each BASP will select MSMEs clients from the WASH, food security, and fertilizer sectors. Except for enterprises from conflict-affected areas, the enterprises should be characterized by potential for robust sales and revenue growth with a net positive cash flow. While selecting enterprises, BASPs should consider the following criteria:

1. *Gender Parity: Give priority and focus to women-owned or led enterprises.*
2. *Geographic Diversity: At least 50% of the enterprises must be located outside of Addis Ababa and this should include enterprises from conflict-affected areas.*
3. *Firm Commitment: BASPs must obtain a signed commitment from participating enterprises indicating their willingness to engage and cooperate in service delivery.*

Additionally, the selected BASPs and MS4G will be responsible for the following:

- BASPs will propose potential clients for MS4G to approve for services. MS4G will review the MSME's sector focus, geography, and youth and woman leadership to ensure it fits MS4G's objectives. The initial list should include at least five (5) viable candidates that have already provided signed commitment to participate.
- BASPs will conduct diagnostic assessments of MS4G approved enterprises and propose target results (revenue growth and/or capital mobilization) and relevant activity plans.
- MS4G and partner BASPs will agree to target results, activities, and timelines.

- Partner BASPs will implement plans (and continue to prospect for new clients); provide regular reports to MS4G per agreed reporting plan; and attend market linkages and networking events.
- MS4G will provide ecosystem-building support including BASP training, and BizConnect sessions to facilitate cooperation and cross-learning among the participating BASP.

Deliverable and payment schedule

Category I: MSMEs with a total sales or revenue of greater than ETB 3.5 million.

Deliverable #	Activities (Service Domains)	Deliverable	Deadline	Payment Amount per Enterprise
1	Diagnostic assessment, growth plan, and signed service agreement	Diagnostic report, growth plan, and signed service agreement with MSMEs, at least 30% of MSMEs are women-owned or led	Within 120 days from the contract date	\$800.00
2	Revenue Growth Services			
2.1	Financial Management (including digitalizing): services may include but are not limited to developing financial plans; formalizing or digitizing financial record-keeping and planning to enable enterprise growth.	Mid-way progress report	Will be determined based on the Business Service Advisory proposal and MS4G's assessment depending on the service to be provided for the enterprises	\$300.00
		Final progress report		\$ 900.00
2.2	Marketing and sales (including digitalizing): execute marketing and sales strategies to help enterprises improve customer acquisition and retention, including developing online visibility and sales	Mid-way progress report		\$300.00
		Final progress report		\$700.00
2.3	Operations (including digitalizing): help enterprises improve operations by streamlining or automating processes, reducing costs, and increasing efficiency to enable sustainable enterprise growth	Mid-way progress report		\$200.00
		Final progress report		\$600.00
2.4	Business Skills: on-the-job training and coaching for employees that enable improved enterprise management for sustainable growth	Final progress report		\$400.00

2.5	Revenue Growth: Proof of 10% revenue growth. Final performance report summarizing progress for each MSMEs supported, percentage of annual revenue increases due to the services provided, employment generated as well as key learning for each enterprise.	12-month revenue growth because of BASP services		\$8,000 per MSME less the activity payments made (e.g., if financial management and business skills services are provided the BASP will receive \$1200 per MSME for the financial management activities, \$400 per MSME for the business skills services, and \$6,400 per MSME for the revenue growth for a total of \$8,000 per SME).
3.0	Capital Mobilization			
3.1	Financial Documentation: Documentation and organization of financial records and plans to support loan application		Will be determined based on the Business Service Advisory proposal and MS4G's assessment depending on the service to be provided for the enterprises	\$250.00
3.2	Investment Planning: Development of growth plan for deploying loan/investment proceeds			\$150.00
3.3	Loan Approved and Funds Disbursed			1% of deals closed for qualifying MSME (less activity payments). 2% of deals closed for women owned MSME less activity payments. 2% of deals closed for MSMEs in Afar, Tigray, or North Wollo less activity payments. 3.5% of deals closed for woman-owned MSMEs in Afar, Tigray, or North

				Wollo less activity payments.
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Notes on Category I enterprises

- A maximum price of USD 8,000 per enterprise will be paid if only services listed under “revenue growth services” are provided for a particular enterprise AND the enterprise achieves the appropriate revenue growth target.
- A maximum price of USD 7,000 per enterprise will be paid if only services listed under “capital mobilization” are provided for a particular enterprise.
- A maximum price of USD 13,000 per enterprise will be paid if services listed under both “revenue growth” and “capital mobilization” are provided for a particular enterprise and that enterprise achieves the revenue growth target.

Category II: MSMEs with a total annual sales or revenue between ETB 1 million and 3.5 million.

Deliverable #	Activities (Service Domains)	Deliverable	Deadline	Payment Amount per Enterprise
1	Diagnostic assessment, growth plan, and signed service agreement	Diagnostic report, growth plan, and signed service agreement with MSMEs (at least 35% women-owned MSMEs)	Within 120 days from the contract date	\$600.00
2	Revenue Growth Services			
2.1	Financial Management (including digitalizing): services may include but are not limited to developing financial plans; formalizing or digitizing financial record-keeping and planning to enable enterprise growth.	Mid-way progress report	Will be determined based on the Business Service Advisory proposal and MS4G’s assessment depending on the service to be provided for the enterprises	\$300.00
		Final progress report		\$ 400.00
2.2	Marketing and sales (including digitalizing): execute marketing and sales strategies to help enterprises improve customer acquisition and retention, including developing online visibility and sales	Mid-way progress report		\$300.00
		Final progress report		\$500.00
2.3	Operations (including digitalizing): help enterprises improve operations by streamlining or automating processes, reducing costs, and increasing efficiency to enable sustainable enterprise growth	Mid-way progress report		\$200.00
		Final progress report		\$300.00
2.4	Business Skills: on-the-job training and coaching for employees that enable improved	Final progress report		\$400.00

	enterprise management for sustainable growth			
2.5	Revenue Growth: Proof of 10% revenue growth. Final performance report summarizing progress for each MSME supported, percentage of annual revenue increases due to the services provided, employment generated as well as key learning for each enterprise	12-month revenue growth as a result of BASP services		\$5,000 per SME less the activity payments made (e.g., if financial management and business skills services are provided the BASP will receive \$700 per MSME for the financial management activities, \$400 per MSME for the business skills services, and \$3,900 per MSME for the revenue growth for a total of \$5,000 per SME).
3.0	Capital Mobilization			
3.1	Financial Documentation: Documentation and organization of financial records and plans to support loan application		Will be determined based on the Business Service Advisory proposal and MS4G's assessment depending on the service to be provided for the enterprises	\$250.00
3.2	Investment Planning: Development of growth plan for deploying loan/investment proceeds			\$150.00
3.2	Loan approved and Funds Disbursed			1% of deals closed for qualifying MSME (less activity payments). 2% of deals closed for women-owned MSME less activity payments. 2% of deals closed for MSMEs in Afar, Tigray, or North Wollo less activity payments. 3.5% of deals closed for women owned MSMEs in Afar, Tigray, or North Wollo less activity payments.

- A maximum price of USD 5,000 per enterprise will be paid if only services listed under “revenue growth” support are provided for a particular enterprise AND the revenue growth targets are met.
- A maximum price of USD 5,000 per enterprise will be paid if only services listed under “capital mobilization” support will be provided for a particular enterprise.

- A maximum price of USD 9,000 per enterprise will be paid if services listed under both “revenue growth” and “capital mobilization” will be provided for a particular enterprise and the client revenue growth target is achieved.