

QUESTIONS & ANSWERS

Date: January 16, 2025

Reference Request for Proposal Number: RFP-CATALYZE-APEP-2024-0013

Dear Offerors,

Please see below answers to the questions submitted catalyze.procurements@thepalladiumgroup.com.

No	Question	Answer
1	Does CATALYZE require that the Offerors be based in one of their 10 target countries?	No, the Offerors applying as individuals or organizations are not required to be based within one of the 10 target countries. Offerors may be based in any country that is not deemed a prohibited source by USAID, however the enterprises they support must be based in one of the 10 target countries.
2	Can the contracted Advisors connect enterprises with investors based outside of the 10 target countries?	Yes, Advisors may connect enterprises with investors that are based outside of the 10 target countries. The Advisor should ensure that the client enterprise seeking financing has operations within the 10 target countries to be eligible for acceptance by CATALYZE.
3	What is the role of the CATALYZE team in this activity? Would the CATALYZE team invest into enterprises presented by the contracted Advisors?	The role of the CATALYZE team will be minimal, with the contracted Advisors being responsible for identifying investors, facilitating connections with enterprises seeking capital, and assisting in final disbursement of financing towards the enterprise. The Advisor will not need to connect the investors with the CATALYZE team during this activity. The CATALYZE team can serve as a potential source of investor and enterprise pipeline with the CATALYZE team sending profiles of investors and enterprises with Advisors for the Advisor to engage with and determine whether they would like to engage into an agreement. Apart from this, the main role of the CATALYZE team will be in ensuring that the pipeline presented by the Advisor aligns with the project's objectives and generates additionality in the ecosystem; the transaction advisory portion is left to the Advisor to manage.
4	Will the contracted Advisors be required to connect the CATALYZE team with investors?	The Advisor will not be required to connect the CATALYZE team with investors, however the CATALYZE team may request documents to confirm the facilitation conducted by the Advisor and documents related to final financing agreements. See response to Question 3 for additional information.
5	Are the Advisors allowed to charge a fee to the client enterprises they support through this activity or are they limited to the fixed and success fees provided by CATALYZE?	The CATALYZE team has no objections to Advisors charging client enterprises a fee for their support. However, Advisors must disclose the fee that they charge client enterprises. The incentive payments are not meant to fully cover all costs involved in these types of transactions. Rather, the incentive payments are meant to generate additionality by either partially reducing the fee charged to client enterprises and/or incentivizing Advisors to provide support to enterprises that may have otherwise been overlooked.

No	Question	Answer
6	Can Advisors only work with enterprises that they include in the Pipeline Attachment?	<p>The Pipeline Attachment should include a list of current enterprises that the Advisor has identified as seeking capital. The pipeline will be evaluated by the CATALYZE team to determine the expected capital raise achievable by the Offeror.</p> <p>The Pipeline included in the proposal is an initial pipeline and Advisors should strive to continuously update their pipeline with new enterprises they identify that are seeking capital. The CATALYZE team may also serve as a source of additional pipeline for Advisors, see response to Question 3 for additional information.</p>
7	Would there be any penalty or consequence should the client enterprise supported by the Advisor go into default?	<p>The CATALYZE team will not impose any consequence should default occur. The main objective of this activity is to mobilize capital towards enterprises seeking to expand their businesses, thus the intervention of this activity ceases once the enterprise has increased access to finance in the form of a formal agreement with an investor or disbursement of capital.</p> <p>Additionally, the CATALYZE team encourages work to be done with enterprises that are investment ready and show capacity to scale their businesses, reducing the risk of them falling into default.</p>