



**To:** Offerors

**Date:** Thursday, February 8, 2018

**From:** Procurement and Partnering Team, INVEST Project; Implemented by DAI Global LLC

**Subject:** Request for Proposals (RFP) INVEST001 Mobilizing Private Investment for Development: USAID Global Health/Center for Accelerating Innovation and Impact

**DUE:** 5pm EST on March 1, 2018

Dear Offerors:

Enclosed is a Request for Proposals (RFP) to support the implementation of DAI's INVEST project funded by the United States Agency for International Development (USAID). DAI invites firms to submit a proposal for work to be funded by USAID under the Global Health/Center for Accelerating Innovation and Impact Buy-in Contract.

- I. RFP Process and deadlines:** This solicitation will result in the award of Fixed Price Purchase Order. We anticipate issuing a single subcontract award between \$225,000 - \$300,000 resulting from the implementation of this agreement.
- a. Submission of Questions – Questions must be submitted no later than 5:00 pm EST on February 13, 2018 via email at [INVEST\\_Procurement@dai.com](mailto:INVEST_Procurement@dai.com). DAI will respond to these questions in approximately three (3) business days.
  - b. Submission of Proposals – Proposals must be submitted no later than **5:00 pm EST on March 1, 2018** via email at [INVEST\\_Procurement@dai.com](mailto:INVEST_Procurement@dai.com), copying [matthew\\_farrell@dai.com](mailto:matthew_farrell@dai.com) and [emily\\_foster@dai.com](mailto:emily_foster@dai.com). The subject line of the email should be your organization name, followed by “Submission under RFP001: GH/CII.” Please certify in your submission email a validity period of 30 days for the price(s) provided and include your organization’s DUNS number. Please limit file submissions to 10 megabytes or less.
- II. Composition of Proposal:** The proposal comprises the following submission documents. Technical Proposal and Cost Proposal should be prepared as separate files for independent evaluation, as follows below. Submissions in Word or in PDF are acceptable, although PDF is preferred along with an accompanying Word document. Please provide a copy of your cost proposal in excel format as well.

### **Part 1 – Technical Proposal**

Please limit your technical proposal to no more than five (5) pages. Appendices are considered non-counting pages.

1. **Technical Approach** – Offerors will detail their approach to fulfilling the accompanying Statement of Objectives (SOO). The approach will clearly indicate

how the proposed activities will result in the successful completion of all deliverables.

2. **Institutional Capacity** – Offerors should provide details about the experience, expertise or capacity of their firm to recommend the proposed approach and complete the work as described. This should also include necessary country context in the countries/regions specified.
3. **Management Plan/Staffing Structure** – Offerors should include details of personnel who might be assigned to the activities described in the technical approach, as well as a clear management plan for the development, review, and submission of all associated deliverables. Firms are permitted to engage in partnering arrangements that will aid in providing best value to USAID. If a partnering arrangement is being proposed, please describe the nature of the arrangement and the appropriate management controls to ensure successful delivery.

Included as an annex, please include:

- One (1) to two (2) case study examples of past performance relevant to this activity (limited to two (2) pages per case study)
- CV(s) of any individuals proposed in the staffing plan to conduct this activity (limited to two (2) pages per individual)

## **Part 2 – Cost Proposal**

The contract type for the presumptive task order will be Firm Fixed Price, awarded as a subcontract by DAI Global, LLC. Please include your total proposed fixed price and details for specific deliverable pricing. Offerors should also include a cost breakdown of the hourly rates for proposed personnel, if applicable, with a build-up to their total proposed price or include substantiating price reasonableness documentation/justification. Please limit file submissions to 10 megabytes or less.

**III. Evaluation of Proposal:** DAI will use best value determination for the award of this Request for Proposals. A best value determination means that, in DAI's estimation, the selected offer will provide the greatest overall benefit to GH/CII in response to the requirements stated in this RFP. Proposals will be evaluated against a stated number of factors, including the overall proposed approach; past performance; specific qualifications providing investment advisory services, opportunities for blended finance solutions, country context in the desired regions and other evidence substantiating the bidder's ability to deliver; and budget and time frame considerations.

1. **Technical Proposal:** The Technical Proposal will be scored and evaluated separately from the cost proposal. Technical panel reviewers will evaluate offerors on the following factors, consistent with the offerors' technical proposal.
  - a. **Technical Approach (50 points)** - Points for this section will be awarded based on the information presented in the technical approach. Points will be awarded to firms describing their thoughtful approach to addressing the statement of objectives. The offeror will be scored based on its presentation of a clear approach which reflects the requirements of this specific activity but also incorporates the offeror's unique competencies.
  - b. **Institutional Capacity (30 points)** - Points for this section will be based on information presented in the corresponding section. Preference will be given to

firms that have past performance in timely and successful delivery of similar services.

- c. **Management Plan/Staffing Structure (20 points)** – Points for this section will be based on the qualifications of proposed staff and the demonstrated efficacy of the management plan.

- 2. **Cost Proposal:** Cost will be evaluated separately from the technical approach, with due consideration for price reasonableness and allowability consistent with US government cost principles. Evaluation for this section will be dependent upon all information presented by the Offeror in their deliverable table and supporting cost information, and its alignment with the proposed technical approach.

- IV. **Offeror's Agreement with Terms and Conditions:** The completion of all RFP requirements in accordance with the instructions in this RFP and submission to DAI of the technical and price proposals will constitute an offer and indicate the Offeror's agreement to the terms and conditions in this RFP and any attachments hereto. DAI is not required to accept and/or evaluate proposals that do not conform to the instructions of the RFP, and additionally, DAI may reject all proposals and not award a subcontract for this RFP. DAI reserves the right to award a subcontract without discussion and/or negotiation; however, DAI also reserves the right to conduct discussions and/or negotiations, which among other things may require an Offeror(s) to revise its proposal (technical and/or price). Issuance of this RFP in no way obligates DAI to award a subcontract, nor does it commit DAI to pay any costs incurred by the Offeror in preparing and submitting the proposal. DAI reserves the right to award a subcontract to one organization or to issue multiple awards to different organizations based on the results of our evaluation.

Thank you,

**DAI INVEST Procurement and Partnerships Team**

[INVEST\\_Procurement@dai.com](mailto:INVEST_Procurement@dai.com)

**Statement of Objectives for RFP INVEST001**  
**USAID Global Health/Center for Accelerating Innovation and Impact**

**I. Background**

USAID seeks to unlock the potential of private capital to drive inclusive growth. Increasingly, private investors and businesses are looking to emerging markets for better returns and new market opportunities. Encouraging investment in high-impact areas important to USAID such as agriculture, financial services, infrastructure, energy, clean water, health, and education, requires new forms of collaboration between USAID and the investment community. Specifically, USAID can leverage its resources – grants, technical assistance, guarantees, and convening power – to help raise awareness of investment opportunities, lower transaction costs, and mitigate the risk of investments that generate positive social, economic, and environmental impact.

In support of its efforts to promote blended finance within the agency, the USAID Office of Private Capital and Microenterprise (USAID/PCM) awarded the INVEST contract to DAI in September of 2017. Through INVEST’s flexible buy-in mechanism, USAID Missions and Operating Units are able to access an unprecedented network of firms and individuals that have the range of technical expertise needed to identify opportunities and effectively mobilize private capital toward development priorities. Using a lean approach tailored to high potential opportunities, relevant parts of the network will come together to research, develop, and build specific solutions that align private capital with development needs.

The Global Health Bureau’s (GH) Center for Accelerating Innovation and Impact (CII) invests seed capital in the most promising ideas and applies a rigorous, market-oriented approach to cut the time it takes to transform discoveries in the lab to impact on the ground. CII does this in three ways:

1. Identify cutting edge practices and approaches: To help improve the efficiency of the marketplace, CII examines successes and failures across a range of markets and sectors to identify state-of-the-art practices in innovation, introduction, and uptake.
2. Catalyze innovation: CII uses a variety of novel approaches—from Grand Challenges to hackathons to prizes—to source groundbreaking solutions for tough and seemingly intractable health challenges.
3. Scale for impact: CII supports introduction and scale-up planning for priority health interventions; uses innovative financing mechanisms; applies market shaping tools to address inefficiencies and barriers; and leverages the expertise and active engagement of the private sector—all to accelerate and rapidly expand health impact.

In line with the Administrator’s priorities of being more catalytic and effective with our grant funding, and helping to set countries on their path to self-reliance, CII has been using non-traditional financing tools and approaches such as DCAs and development impact bonds, to help achieve GH’s goals of preventing child and maternal deaths, controlling the HIV/AIDS epidemic, and combatting infectious diseases. However, to date, these transactions have been ad hoc and CII is interested in identifying opportunities to more systematically and strategically apply these tools to help achieve the Bureau’s and the Agency’s goals, and be better stewards of tax payer dollars. Additionally, the private sector and other non-traditional donors are becoming increasingly interested in blended/innovative finance opportunities in development and global health.

Through this Statement of Objectives (SOO), the DAI team seeks support for the Global Health Bureau's (GH) Center for Accelerating Innovation and Impact (CII) to help clarify and layout the role and opportunity for USAID and GH in the blended/innovative finance space, and to help identify a short list of two to three countries and five potential transactions. This activity is intended to last for 12-15 weeks (see Implementation Timeframe table for further breakdown).

## II. Statement of Objectives

**Phase 1:** A roadmap for the Global Health Bureau (~25% expected effort)

- Through a combination of desk based research and key informant interviews with external stakeholders, and Washington and Mission staff, develop a roadmap to help identify where and how GH can strategically and systematically apply blended/innovative finance approaches to achieve GH goals
- This activity will build off of existing work like the Investing for Impact and Financing Framework reports to further define USAID's comparative advantage and possible role(s) in blended/innovative finance
  - Link to GH's ongoing work on sustainable financing and broader Agency goals of transition and graduation
- Identify the range of tools GH can use, and the appropriate use cases for those tools, i.e. a DCA to help overcome working capital issues or flexible grant funding to catalyze private equity investments into a health social enterprise
- Work with USAID to create a framework or archetype to help identify countries where these types of approaches are most likely to work
  - This should be grounded in the USAID mission priorities and resources, private sector interest and activities, the work of other donors and multilaterals, and Government willingness to engage as appropriate
  - Prepare an outline of what the information of each transaction to be provided will look like
- Note potential risks or constraints for USAID

**Phase 2:** Country and potential transaction identification (~75% expected effort)

- Identify 2-3 countries where blended/innovative finance approaches are most appropriate today
  - Key considerations should include Mission interest, availability of resources, appropriate enabling environment
  - Geographic diversity—of the two-three countries, at least one from Sub-Saharan Africa and one from Asia
- Identify specific “low-hanging fruit” opportunities or transactions in these countries that can be used to both demonstrate impact in 3-9 months and generate additional evidence to further make the case for blended/innovative finance approaches in global health
- Develop a report which will contain two parts:
  - A publishable form that lays out the framework, roadmap/landscape
  - An internal report (format TBD) that provides details of these opportunities including:
    - 1) a summary of the health challenge or problem being addressed, including financing challenges;
    - 2) identification of primary stakeholders
    - 3) potential blended/innovative finance approaches that could be deployed by USAID to facilitate transaction completion;

- 4) rationale for a blended/innovative approach versus a traditional grant making approach;
- 5) high-level challenges or risks associated with USAID engagement.

DAI also anticipates a potential ‘third phase’ where support could be provided to implement/advise on the continued development of these identified opportunities. It is further anticipated that if USAID elects to request support of this nature, DAI/INVEST will compete the resulting scope of work as a separate procurement. The selected implementer(s) for Phase 1 and Phase 2 will be precluded from participating in this procurement due to their competitive advantage.

### Activity Structure:

#### *Activity 1: Onboarding and Work-Planning*

- Partner Onboarding: DAI will work closely with CII staff to provide the successful offeror(s) with all necessary context, and work with CII staff and the successful offeror(s) to develop work plan(s)

#### *Activity 2: Implementation and ME&L*

- Project Implementation: The successful offeror(s) will implement the work as prescribed by the work plan(s). DAI will provide management support and ensure periodic check-ins/reporting
- Ongoing Monitoring, Evaluation, and Learning: DAI will define indicators in subcontract, collect and review M&E data from subcontractors for requisite reporting to USAID. DAI will conduct data quality assessments as necessary.

### Implementation Timeframe:

<b>Implementation Activity</b>	<b>Milestone</b>	<b>Duration</b>
<i>Phase 1: Roadmap</i>	<ul style="list-style-type: none"> <li>• Draft roadmap (Week 1)</li> <li>• Final road map (Week 2) with project pause to allow time for revisions/input from USAID)</li> </ul>	<i>~2 weeks</i>
<i>Phase 2: Country and Transaction Identification</i>	<ul style="list-style-type: none"> <li>• Draft country archetype with short list of countries (Week 6)</li> <li>• Preliminary list of investment opportunities (Week 8)</li> <li>• Draft report (Week 12) with project pause to allow time for revisions/input from USAID</li> </ul>	<i>~9 weeks (there may be overlap or the opportunity to parallel process some aspects of these two activities)</i>
<i>Phase 2: Internal/External Blended Finance Report</i>	<ul style="list-style-type: none"> <li>• Develop final report in publishable form (as part of CII’s Investing for Impact series) that lays out the framework, roadmap/landscape, and provides opportunity deals as case studies (Week 12-15)</li> </ul>	<i>~3 weeks (with overlap)</i>

### Deliverables Schedule

<b>Deliverable</b>	<b>Due Date</b>	<b>Proposed Price</b>
<i>Draft Roadmap</i>	TBD	\$
<i>Final Roadmap</i>	TBD	\$
<i>Draft Country Archetype</i>	TBD	\$
<i>Preliminary list of investment opportunities</i>	TBD	\$
<i>Draft report</i>	TBD	\$
<i>Final report</i>	TBD	\$

DAI, as the prime contractor, will supervise this activity and be responsible for the periodic review and approval of all deliverables. Check-ins involving the necessary stakeholders will be held periodically.