



**To:** Offerors

**Date:** Friday, May 4, 2018

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

**Subject:** Request for Proposals (RFP) INVEST-003 Mobilizing Private Investment for Development: USAID India 3.0

**DUE:** 5pm EDT on May 22, 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 USAID India 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 no greater than \$400,000 resulting from the implementation of this agreement.
- a. Submission of Questions – Questions must be submitted no later than 5:00 pm EST on May 8, 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 EDT on May 22, 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 RFP INVEST-003: USAID India 3.0” Please certify in your submission email a validity period of 60 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:** Your organization’s proposal should comprise the following submission documents. The Technical Proposal and Cost Proposal should be prepared as separate files for independent evaluation, as follows below. Technical proposals should be submitted as a 10-slide presentation. Submissions in PowerPoint or in PDF are acceptable, although PDF is preferred along with an accompanying PowerPoint document. Please provide a copy of your cost proposal in Excel format.

### **Part 1 – Technical Proposal**

Please limit your technical proposal to no more than ten (10) slides. The technical proposal is composed of the following three (3) sections:

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/assessments. The offeror should also include any proposed organizations the offeror plans to speak to as well as any sub-contractors.
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 past performance information for India or similar contexts.
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, including a milestone schedule. Offerors are permitted to engage in partnering arrangements that will aid in providing best value to USAID, regardless of whether organizations belong to the USAID INVEST network. If a partnering arrangement is being proposed, please describe the nature of the arrangement and the appropriate management controls to ensure successful delivery.

In addition to the above, please include the following. These inputs will not be counted as part of the 10-slide limit and the format may be PDF or Word:

- One (1) to two (2) case study examples or qualifications statements 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)

A cover slide will be considered a non-counting slide. No additional annexes or documentation are requested at this time.

### **Part 2 – Cost Proposal**

The contract type for the presumptive task order will be Fixed Price, awarded as a subcontract by DAI Global, LLC. Please include your total proposed fixed price along with details for specific deliverable pricing and a description of award/performance fees to incentivize a focus on proposed performance criteria. 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. Offerors are expected to use their own cost/budget template(s); 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 USAID India 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 in performing market and legal assessments in India or in tuberculosis (TB), water, sanitation, and hygiene (WASH), and/or environment/energy/health (EEH) in India, 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 (40 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 and/or relevant experience in India.
    - c. Management Plan/Staffing Structure (30 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, inclusion of a performance fee structure, and supporting cost information, as well as 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)

# **The INVEST Project: Mobilizing Private Investment for Development**

## **Statement of Objectives for USAID India 3.0 Market and Legal Assessment**

### **I. Introduction**

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.

USAID is exploring new ways to catalyze development in India that is more enterprise-driven, leveraging the vibrant Indian private sector. Accordingly, USAID is exploring plans to develop a platform with development activities as part of “USAID India 3.0” prioritizing three key sectors - tuberculosis (TB), water/sanitation (WASH), and environment/energy/health (EEH) links. These sectors would be targeted by a platform in the form of a legal entity such as fund, an endowment, a foundation or a combination of entities with distinct roles within an umbrella organization. The goal of the USAID India 3.0 platform is to be a sustainable, impact-driven entity that retains USAID branding and is able to provide, among other things, a mix of grants, technical assistance, and returnable investments within these three sectors to have development impact.

The USAID India 3.0 platform will be seeded by USAID and is intended to mobilize other sources of funding, including impact investors, the Government of India, corporate social responsibility (CSR funds), and other options, to help sustain the entity and achieve development objectives.

### **II. Implementation Objectives**

The USAID India 3.0 platform market and legal assessments will:

1. *Phase 1*: Taking into account the Key Assumptions (as described in Section VI), the contractor will develop a market assessment that will detail the market landscape in TB, WASH, and EEH, including:
  - the major organizations, public and philanthropic donors, and other actors currently operating in these sectors in India;
  - a gap analysis that outlines what value proposition USAID can offer in the sectors with the most catalytic impact;
  - potential types of opportunities for investment (grants, debt, equity, first loss, etc.), estimated ticket sizes and total fund size given these data points (please note, this will not require identification of individual SMEs);

- potential opportunities to partner or co-invest with any existing actors, including, but not limited to, Indian private sector, U.S. universities and the U.S. private sector;
- potential risks related to financial viability or USAID’s reputation associated with such activities; and
- analysis of similar initiatives by other bilateral and multilateral development donors in India (e.g., DFID, ICCO, etc.)

Along with the market assessment, the contractor, through engagement with a local Indian law firm with significant experience in corporate structuring and impact investment, will also deliver a legal assessment that outlines the legal requirements, capabilities, risks, and limits of various legal entities (both within the U.S. and in India) that could house the platform, including tax liabilities. Taking into account the Key Assumptions, the contractor will recommend one or more types of legal entities (e.g. SPV, foundation, etc.) to house the USAID India 3.0 platform (please note, this does not require specific naming of existing entities).

2. *Phase 2:* After consultations with USAID/India and USAID’s Asia Bureau, the contractor will devise a full business plan, financial model, and suggested roll-out plan with branding strategy and timeline for the chosen USAID India 3.0 platform under a variety of budget scenarios. The business plan outline will be discussed and agreed at the commencement of Phase 2 and will include risk mitigation measures, a financial sustainability plan, an assessment of personnel capabilities needed, governance structure, and potential partners (both resource and implementation), development objectives and other key areas identified.

### **III. Deliverables**

Phase 1 deliverables (in electronic copy):

- Market assessment and final recommendations, including executive summary and PowerPoint, in accordance with parameters stated in Section II.1
- Legal assessment and final recommendations, including executive summary and PowerPoint, in accordance with parameters stated in Section II.1
- Annexes of primary information from surveys, interviews, and other sources of information that inform the assessments

Phase 2 deliverables:

- Business plan, in accordance with parameters stated in Section II.2, with supporting documentation, including staffing requirements
- Financial model, including variations based on different seed capital scenarios
- Roll-out timeline and plan for incorporation of new entity
- Branding strategy

### **IV. Period of Performance**

June - September 2018

Phase I draft due date: June 28, 2018

Phase I final draft due date: July 20, 2018

Phase 2 draft due date: September 5, 2018

Phase 2 final draft due date: September 14, 2018

### **V. Place of Performance**

Delhi, Mumbai, and potentially other cities in India; U.S. as needed. It is anticipated that time spent on the ground in India will be a key aspect of the approach and resulting workplan. Offerors should prepare a recommendation of the amount of estimated time in-country as part of their response.

## **VI. Key Assumptions**

USAID is operating under a set of key assumptions for the USAID India 3.0 platform. To the extent such assumptions are not recommended or applicable to a particular sector or legal entity, the consultant will note such in its report. The key assumptions are:

- Platform has ability to issue debt; make grants; make equity investments; make first loss mechanisms; provide letters of credit; provide technical assistance to the Government of India or the private sector in India; raise or crowd in investment and source deals (e.g., act as an investment manager); and commission and issue research reports.
- Platform can receive and/or mobilize CSR funds for its activities under Indian law and can receive capital a) from other organizations or individuals for mission-related investments and b) from non-mission-related investments for revenue purposes.
- Platform has USAID in its name and USAID has strong influence over the platform's actions (at least controlling representation on the board).
- Platform does not crowd out existing market actors.
- Platform can make investments with market-rate, muted, or no returns.
- Platform will be able to engage with Indian diaspora in United States and leverage their funding for India's development.
- Platform is financially sustainable.
- Platform has development impact.

USAID India anticipates a potential follow-on implementation phase as a result of the assessments and platform deliverables. If USAID India elects to request support of this nature and chooses to engage DAI/INVEST support, INVEST will compete the resulting scope of work as a separate procurement. In order to maintain a level playing field, all activity deliverables (the market assessment, legal assessment, platform deliverables) will be made public as part of an initial RFI/open response period (including a potential bidder's conference) prior to RFP release.

## **VII. Requirements**

- To bid for this proposal, the contractor will submit a proposed engagement plan (no more than 10 slides, in PPT format) detailing:
  - Proposed methodology for completing the assessments
  - Proposed organizations the contractor plans to speak to as well as any sub-contractors
  - Previous experience performing market and legal assessments in India or in TB, WASH, and EEH in India
  - Estimated timeline of completion and milestones and associated staffing plan
- The contractor must engage with local organizations (donors, investors, NGOs, etc.) in India as part of its assessment.
- The contractor will coordinate and collaborate with USAID technical staff in India and Washington, DC on a regular basis, and be open to substantial involvement from the USAID team. There will be an Activity Manager(s) assigned as main POC for primary engagement.
- The team must deliver draft versions of deliverable with a review and comment period, no more than 15 days before due dates.

## VIII. Role of INVEST Project

INVEST will work closely with USAID India and the selected network partner(s) during all stages of this work. DAI will subcontract the selected partner(s) directly and provide review and oversight throughout the life of the activity in accordance with INVEST's lean management approach. DAI will administer periodic check-ins, reporting, deliverable review prior to client presentation and approval, and manage an ongoing ME&L framework.

## IX. General Implementation Structure

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

- **Partner Onboarding:** DAI will work closely with USAID India to provide the selected partner(s) with all necessary context, and work with USAID India and the selected partner(s) to develop work plan(s)

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

- **Project Implementation:** The selected partner(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.

### *General Implementation Timeframe:*

<b>Activity</b>	<b>Timeframe</b>
Activity 1: Onboarding & Workplanning	1 week
Activity 2: Implementation and ME&L	4 months
• Phase 1: Assessments	7 weeks
• USAID Review and Decision-making	4 weeks
• Phase 2: Platform Deliverables	4 weeks
• USAID Review and Decision-making	2 weeks