



To: Women's World Banking Asset Management

Date: Friday, March 22, 2019

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

Subject: Request for Proposals (RFP) INVEST-015 Catalyze Investment for Inclusive Digital Financial Services to Empower Women

DUE: 1:00PM EDT on **Wednesday, April 3, 2019**

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 as part of the USAID Office of Gender Equality and Women's Empowerment.

- I. RFP Process and deadlines:** This solicitation will result in the award of a Fixed Price subcontract. We anticipate issuing a single subcontract award resulting from the implementation of this agreement.
- a. Submission of Proposal – Proposal must be submitted no later than **1:00 pm EDT on Wednesday, April 3, 2019** via email to INVEST_Procurement@dai.com, copying matthew_farrell@dai.com and talin_baghdadlian@dai.com. The subject line of the email should be your organization name, followed by "Submission under RFP INVEST-015: Investment Catalyzation" 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 in PowerPoint or in PDF. Please provide a copy of your cost proposal in Excel format.

Part 1 – Technical Proposal

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 and milestones.
2. **Institutional Capacity** - Please provide details about the experience, expertise, or capacity of your firm to implement the proposed approach and complete the work as

described. This should also include past performance information for similar activities

3. **Management Plan/Staffing Structure** – Offerors should include details of personnel who might be assigned to Activity 2: Capture key data and information about the role of investment and technical assistance in the growth and success of the portfolio companies receiving investment through this fund 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.

In addition to the above, please include the following:

- 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 Fixed Price, awarded as a subcontract by DAI Global, LLC. Please include your total proposed fixed price along with details for specific deliverable pricing. Please include information regarding the amount of commercial investment that will be catalyzed based on your estimated leverage ratio. Additionally, please include a cost breakdown specific to Activity 2: Capture key data and information about the role of investment and technical assistance in the growth and success of the portfolio companies, including 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 in response to the requirements stated in this RFP. DAI may also exclude an offer from consideration if it determines that an Offeror is "not responsible", i.e., that it does not have the management and financial capabilities required to perform the work required. Proposals will be evaluated against a stated number of factors, including the overall proposed approach, past performance, specific qualifications in the identified sectors and other evidence substantiating the bidder’s ability to deliver, including budget and time frame considerations.

1. **Technical Proposal:** The Technical Proposal will be evaluated against the following criteria:
 - Investment thesis: a demonstrated investment approach that focuses on women’s economic empowerment through financial inclusion, looking specifically at leveraging digital tools to meet these goals, and targeting USAID presence countries
 - Fund structure: demonstrated blended finance structure that seeks to leverage first-loss investment to catalyze commercial investment

- Timeline and approach to fully capitalizing the fund including number of rounds of raises, current commitments, and demonstration that support through this award would support these efforts
 - Previous experience: information on the fund manager, their approach to managing this fund successfully, and their track record demonstrating ability to successfully capitalize a fund, identify a strong portfolio of investee companies, provide technical assistance, collect and report on data captured, and provide an attractive rate of return to investors
2. **Cost Proposal:** Cost will be evaluated separately from the technical approach, with due consideration for realism, 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, 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). By submitting an offer, Offerors agree to comply with the general terms and conditions for an award, including Representations and Certifications compliance. Offerors must provide full, accurate, and complete information in response to this solicitation. By submitting an offer, Offerors certify that they have not/will not attempt to bribe or make any payment to DAI employees in return for preference. 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

**Statement of Objectives under RFP INVEST-015:
Catalyze Investment for Inclusive Digital Financial Services to Empower Women**

Introduction

Through INVEST, USAID seeks to unlock the potential of private capital to drive inclusive growth in countries around the world. 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 and business community.

USAID's Office of Gender Equality and Women's Empowerment (USAID/GenDev) has engaged INVEST to increase women's economic empowerment and equality through a range of activities including the ongoing expansion of financial services through technological innovation in order to reach women and men at scale with access to basic financial services. The following statement of objectives is in support of these efforts.

Purpose

Through this activity as described below, USAID hopes to catalyze commercial investment into inclusive digital financial services to empower women and/or expand the reach of services to women.

Background

The Digital Financial Services Team (DFS) in the Center for Digital Development at USAID is working in partnership with USAID/GenDev to identify opportunities to close the financial inclusion gap through blended finance. Based on sound research and technical direction, the DFS team intends to work through INVEST to participate as a catalytic investor in a market-led fund by providing first-loss capital and incentivizing commercial investment into the fund. This activity would support the mobilization of investment into digital financial services investments targeted at significantly increasing women's financial inclusion in developing markets.

Objectives and Activities

INVEST and DFS have collectively worked together to determine a set of criteria or qualifications regarding the type of opportunity that would meet the objective of this activity. We seek to catalyze investment in mid-stage, growth companies in the countries in which USAID works that use digital approaches to empower women and/or expand the reach of services to women. Additionally, we hope to use our funds to catalyze commercial investment into the fund by providing first-loss capital, therefore seek a fund that incorporates a blended finance structure and is currently carrying out, or close to starting, their capital raise so as to make our first-loss investment catalytic. And finally, we seek a fund manager with a track record and proven ability to effectively raise and deploy capital for impact.

In order to meet the objectives as outlined above, INVEST plans to engage a fund manager that is in the process of raising commercial investment for purposes of a fund that will invest in a portfolio of enterprises in USAID presence countries that support gender diversity in their

operations, provide digital financial services that expand access by women, and work to close the gender gap in financial inclusion.

INVEST proposes to support two sets of activities under this scope, including the following:

1. Catalyze the commercial investment raise of the funds: USAID, through INVEST, will provide support to the selected fund manager in its efforts to raise commercial investment in order to capitalize the fund. The funding provided for this activity would be used by the selected fund manager as part of the first loss capital and would serve to lower the risk and increase the yield of commercial investors by providing an investment that seeks no return. Depending on the timeline and status of the fund manager’s capital raise efforts, this activity may be broken into multiple parts to match the capital raise rounds as planned by the fund manager.
2. Capture key data and information about the role of investment and technical assistance in the growth and success of the portfolio companies receiving investment through this fund: In support of INVEST’s learning agenda and in service of the DFS team’s interest in increasing the understanding of role blended finance can play in scaling inclusive digital financial services, the second activity under this scope will focus on identifying relevant data to collect and support key learning opportunities. The fund manager will work with INVEST and DFS to identify what data and learning could be captured in addition to the standard data and information the fund manager plans to collect as part of its standard reporting to investors. Activities could include the collection of additional data points, deep dive learning captures, and/or the provision of technical assistance outside the standard set of technical assistance being provided by the fund manager in order to test effectiveness of different approaches as well as evaluate portfolio company's utilization of DFS to effectively expand reach to women and the resulting "economic empowerment" outcomes manifested from extension of financial services via DFS.

Deliverables table and Implementation Timeframe

The activities outlined above are estimated to take place over a 12-18 month period starting around April 2019 and coming to completion by Sept 2020, with potential for extension. A deliverables table with an illustrative timeline is offered below; however, offerors may propose alternate timelines, workplan and level of effort associated with the various components of the activity.

Description	Illustrative Timeframe
Commercial investment raise round 1 completed	April 2019
Commercial investment raise round 2 completed	September 2019
Data and learning capture activities (possible deliverables could include semiannual reporting, learning deep dives, or outcomes reported as a result of technical assistance supported)	Ongoing throughout

General Implementation Structure

Upon selection and award, INVEST will work closely with the fund manager to determine the contract structure including final timelines, deliverables, and associated costs. While the payment will be made upon completion of deliverable, INVEST understands that a commitment of funds may be required to fulfill the purpose of catalyzing additional investment through the presence of

first-loss capital. INVEST will work with the fund manager to determine the appropriate form of commitment needed. Additionally, INVEST and DFS will work with the selected fund manager to determine the appropriate cadence for reporting, communications, and other general ongoing project management activities.

Technical Approach

In your response, please include the following information:

- a. Investment thesis that demonstrates alignment with the stated objectives of this activity including a focus on digital financial inclusion and women's empowerment in USAID presence countries
- b. Information regarding the blended finance nature of the fund structure, including the proposed leverage ratio, and how the funding from this award will be used to catalyze commercial investment; information on the current first-loss investment raised to date and how this additional funding would be used to further catalyze investment
- c. Information on the timeline and strategy for the capital raise including information on ticket size, target investors, funds raised to date and goals set by the fund manager to fully capitalize the fund
- d. Information on planned data collection as part of the standard reporting to investors
- e. Information on planned technical assistance to portfolio companies
- f. A proposed approach to carrying out data collection and learning capture specific to the goals of INVEST and USAID's DFS team

Expected budget

INVEST expects the budget for this activity to have an estimated ceiling of \$600,000 with \$500,000 allocated to catalyzing commercial investment and \$100,000 allocated to data collection and/or technical assistance.