

To: Offerors

Date: September 9, 2020

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

Subject: Request for Proposals (RFP) INVEST-063: USAID/Georgia Attracting Foreign Investment Program in Georgia

Due: **1:00PM EDT on October 7, 2020**

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 and consortia to submit a proposal for work as designated by USAID Georgia.

- I. **RFP Process and deadlines:** This solicitation will result in the award of a fixed firm price subcontract. We anticipate issuing a single subcontract award in the range of \$400,000 to no more than \$470,000 resulting from the implementation of this agreement. Offerors are encouraged to price competitively. The resulting Fixed Priced subcontract will **partially employ a “pay-for-performance” model and some payments will only be made once the selected offeror(s) can demonstrate success in closing foreign direct investment deals**, per the terms of the SOO.
 - a. Submission of Questions – Questions must be submitted no later than **1:00 pm EDT on September 15, 2020** via email to INVEST_Procurement@dai.com.
 - b. Submission of Proposals – Proposals must be submitted no later than **1:00 pm EDT on October 7, 2020** via email to INVEST_Procurement@dai.com, copying Matthew_Mitchell@dai.com and Kelly_Katz@dai.com. The subject line of the email should be your organization name, followed by “Submission under RFP INVEST-063: Georgia FDI” 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 of 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 ten-slide presentation, using 12-point font size. Graphics may be included, so long as text is clearly legible. If text or graphics are of poor resolution, the information provided may be excluded from consideration. 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, and include within the spreadsheet all budget notes, if applicable.

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 services, deliverables, and milestones within the stated timeframe. Offerors should demonstrate clearly how they will perform the work to achieve the stated objectives. Offerors should clearly indicate the target volume of transactions, target number of transactions, and the proposed percentage of payment tied to the successful close of FDI deals. Offerors should describe their approach to working with Enterprise Georgia and should outline considerations for closing US\$10 million in primarily greenfield investments that create high value jobs in the manufacturing sector. Offerors should also address how the Covid-19 pandemic will influence the proposed approach.
2. **Institutional Capacity** – Offerors will provide details about the experience, expertise, or capacity of their organization, or consortium if a partnering arrangement is being proposed, to recommend the proposed approach and complete the work as described. This should also include past performance information for Georgia, FDI competitor countries to Georgia and/or work in similar contexts or delivering services like those requested under this RFP. Offerors should demonstrate their experience identifying, assessing, and engaging multinational companies for foreign investment opportunities and closing deals. Offerors with experience providing investment facilitation and transaction advisory services in Europe is preferred. Experience in FDI attraction, international transactions and proven track record of successfully closed FDI deals is preferred.
3. **Staffing and Management Approach** – Offerors should include details of personnel who will lead or be assigned to the activities described in the technical approach, including where they are based geographically and their specific roles, as well as a clear management plan in narrative form that outlines how expected deliverables and milestones will be developed and reviewed. The management plan should also include a schedule of key activities, milestones, and deliverables.

Offerors are encouraged to engage in partnering/consortium arrangements if it will aid in providing best value and capability to achieve the objectives of this RFP. Offerors may consider partnering with other

entities that bring complementary skill sets and experience to ensure that international FDI networks are tapped and engaged. If a partnering arrangement is being proposed, please describe the nature of the arrangement, the specific technical value being contributed by each member of the team, and the appropriate management controls to ensure successful delivery.

In addition to the above, please include the following information as annexes. These inputs will not be counted as part of the 10-slide limit:

-) Three (3) past performance case studies relevant to this activity such as FDI attraction and closed international deals/transactions (limited to two (2) slides/pages per example). Examples should be within the past 5 years indicating the following:
 -) How the deal was sourced and vetted
 -) Type of support provided
 -) Time taken from deal sourcing to deal close
 -) Deal size
-) CVs of individuals proposed in the staffing plan to conduct this activity (limited to two (2) slide/page per individual).

Offerors must include a non-counting cover slide that includes the name of the offeror and DUNS number(s), and any proposed partners. Offerors will highlight in yellow sections in the CVs where there are any relevant experiences in FDI attraction and closed international deals/transactions. No additional annexes or documentation are requested now.

Part 2 – Cost Proposal

The contract type for the presumptive subcontract will be fixed firm price issued by DAI Global, LLC. Offerors should include the total proposed fixed price along with 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 see the template attached with the solicitation materials for guidance. However, offerors are not required to use the template as long as the cost proposal captures the necessary elements (i.e. deliverables table with breakdown of how the deliverable totals were calculated). 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(s) will provide the greatest overall benefit to USAID in response to the requirements stated in this RFP and accompanying SOO. 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 and other evidence substantiating the offeror's ability to deliver, including budget and time frame considerations.

An offeror's past performance and the managerial and technical ability of the people engaged in the endeavor are always considerations in assessing proposals. INVEST reserves the right to check the past performance, references, and other pertinent offeror information in making award decisions. Previous experience with USAID is not required. DAI recognizes that partnership between organizations may be required to adequately demonstrate networks and expertise.

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. The Technical Proposal will be evaluated against the following criteria:
 - a. **Technical Approach (30 points)** – Points for this section will be awarded to offerors describing their thoughtful approach to addressing the activities and targets in the statement of objectives. The offeror will be scored based on their presentation of a clear approach which reflects the requirements of the activity and incorporates the offeror's competencies. The technical approach should clearly demonstrate the offeror's strategic approach to identifying, assessing, prioritizing, and engaging companies on foreign direct investment opportunities to Georgia by tapping into international FDI networks, fora and companies, and how the offeror will successfully close at least three deals (primarily greenfield in manufacturing) totaling at least US\$10 million within the given timeframe.
 - b. **Institutional Capacity (45 points)** – Points for this section will be based on information presented in the corresponding section and through a review of past performance case studies submitted by the offeror. The offeror should demonstrate, as appropriate (or relevant) to their technical approach:
 - i. Proven track record in facilitating FDI transactions through to deal closure in a timely and successful manner. **(20 points)**
 - ii. Demonstrated institutional presence, networks and contacts spanning foreign markets and past performance information for Georgia, and experience leveraging existing connections in foreign countries including FDI competitor countries to Georgia and/or work in similar contexts to introduce opportunities and facilitate investments. **(20 points)**
 - iii. Institutional experience identifying, assessing, and engaging multinational companies for foreign investment opportunities and

closing deals and providing services to assist governments to attract foreign investments. **(5 points)**

Offerors will provide details about the experience, expertise, or capacity of their organization, or consortium if a partnering arrangement is being proposed, to recommend the proposed approach and complete the work as described.

Offerors with experience providing investment facilitation and transaction advisory services in Europe is preferred. Experience in FDI attraction, international transactions and proven track record of successfully closed FDI deals is preferred.

c. Staffing and Management Plan (25 points) – Points for this section will be based on the qualifications and experience of proposed staff, clear delineation of the roles and responsibilities of each proposed staff and each proposed organization (if offeror is partnering), and the demonstrated efficacy and clarity of the management plan. Proposals should provide a clear management plan that outlines how expected deliverables and milestones will be developed and reviewed. The management plan should also include a schedule of key activities, milestones, and deliverables that will result in objectives of SOO being met. If the offeror is submitting a proposal with consortium partners, the proposal should describe the nature of the arrangement (i.e. added technical value), the division of labor among the partners, and the appropriate management controls to ensure successful delivery. It is preferred that the offeror or its consortium partner(s) have physical experience or presence in Georgia. Offerors must demonstrate how the proposed staff will successfully manage the activity within the Covid-19 environment which may feature travel restrictions, limitations on in-person coordination, and/or travel to/within Georgia.

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 including budget with cost breakdowns, any relevant supporting cost information, as well as its alignment with the proposed staffing. In submitting their cost proposal, offerors should keep in mind that many of the potential deals will be for greenfield opportunities and will be in the manufacturing sector.

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. For a full set of Terms and Conditions, you can visit <https://invest-procurement.com/news>.

Thank you,
DAI INVEST Procurement and Partnerships Team
INVEST_Procurement@dai.com

INVEST: Mobilizing Private Investment for Development

Statement of Objectives under RFP INVEST-063 USAID/Georgia Attracting Foreign Investment Program in Georgia

INTRODUCTION

Through INVEST, USAID seeks to unlock the potential of foreign direct investment to drive high value job creation. Increasingly, multinational companies are looking to new emerging markets for relocation and new market opportunities. Encouraging investment in high-impact areas requires new forms of collaboration between USAID and the international investment community. Specifically, USAID can leverage its resources—grants, technical assistance, 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.

Through INVEST’s flexible buy-in mechanism, USAID Missions and Operating Units can 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.

BACKGROUND

To attract more foreign direct investment (FDI) to Georgia, USAID is supporting Enterprise Georgia through providing transaction advisory and investment facilitation services between the Government of Georgia (GoG) and foreign investors.

Enterprise Georgia¹ is a GoG economic development agency operating under the Ministry of Economy and Sustainable Development. The agency focuses on increasing the competitiveness of the private sector, enhancing the country’s export potential, and promoting and supporting FDI to Georgia. Its mission is to support achievement of the Government’s long-term strategic goals for the Georgian economy through three major divisions: Business; Investment; and Export.

Under this program, the selected firm(s) will work with the Enterprise Georgia Investment Division, which plays the role of moderator between foreign investors and the GoG, ensuring that potential investors receive a variety of updated information and have a means of effective communication with government bodies. The aim of the Investment Division is to attract, promote, and develop FDI in Georgia. It serves as a “one-stop-shop” for investors, supporting companies before, during, and after the investment process.

¹ <http://www.enterprisegeorgia.gov.ge/en>

The main sector of focus for this program is manufacturing, with particular interest in electronics, pharmaceuticals², medical instruments, aerospace parts, and automotive parts. Adjacent sectors (from manufacturing industry) may also be considered as long as they clearly meet the objectives of this program. The selected firm(s) should present the final list of the target sectors (including adjacent sectors) and receive confirmation from Enterprise Georgia and USAID/Georgia Mission.

Enterprise Georgia seeks to attract FDI to Georgia that will create high value employment opportunities, increase labor force productivity, and help diversify the Georgian economy. Enterprise Georgia has identified an initial list of prospective multinational companies (currently not represented in Georgia) in the manufacturing sector. Enterprise Georgia seeks assistance to identify additional multinational companies in target foreign countries, tailor investment proposals, reach out target companies, and facilitate and close deals with investors in primarily greenfield export-oriented investments. While a knowledge of Georgia is important, it is expected that the selected firm(s) will have a strong international presence and FDI networks outside of Georgia that can be leveraged to achieve the program objectives.

GEORGIA INVEST ENGAGEMENT

Objectives and Activities

The purpose of this procurement is to identify a firm or consortium of firms to: (1) conduct a rapid assessment of up to 100 companies identified by Enterprise Georgia and others identified through the firm's (firms') existing connections and develop a tailored marketing package for selected target companies; and (2) facilitate presentations and discussions with potential foreign investor companies to Georgia that result in closing multiple deals totaling at least US\$10 million and more than 500 jobs created.

The selected firm(s) will work in close coordination with the Enterprise Georgia and the USAID/Georgia Mission throughout the engagement.

Phase 1: Rapid Assessment of Companies and Relevant Investment Documents

The successful offeror will review companies previously identified by Enterprise Georgia and provide an additional list of companies (ideally from existing contacts). The firm(s) will prioritize opportunities, laying out the rationale, opportunity, and proposed next steps for achieving the target of US\$10 million in FDI from at least three deals. Previously conducted sector and target market analyses will be made available to the successful offeror upon award. As part of Phase 1, the successful offeror will:

-) Establish clear lines of communication and flow of information and reporting with Enterprise Georgia to maximize efficiency and align actions and objectives;
-) Gather, consolidate, and organize investment sector reports, value propositions, macroeconomic indicators, grant opportunities, government guidelines and processes

² Subject to further analysis and USAID/Georgia approval.

for FDI, and other resource information related to the targeted companies and Georgia as an investment destination;

- J Establish the core criteria for assessing potential international investor companies, which may include sector, value proposition, potential for job creation, previous investments in the region, Covid-19 impact on company operations, etc.;
- J Review the companies identified by Enterprise Georgia and identify others through the selected firm's (firms') networks and apply the FDI criteria to develop recommended next steps. To the extent that local capital can be brought to bear to attract foreign investment, such potential opportunities may also be pursued;
- J Summarize and present the opportunities and next steps to Enterprise Georgia and USAID/Georgia. The final list of target companies should be confirmed by Enterprise Georgia and USAID/Georgia; and
- J Develop a tailored marketing package and pitch deck for each target company.

Phase 2: Investment Facilitation and Transaction Advisory Services through Deal Closure

The successful offeror will provide tailored investment facilitation and transaction advisory services to help position Georgia to receive external funding through at least three FDI deals closed, with a particular focus on high value job creation in the manufacturing sector. Based on the rapid assessment and documents gathered in Phase 1, the successful offeror, in alignment with USAID/Georgia and Enterprise Georgia will:

- J For each target company identified in Phase 1, identify the appropriate leadership or management team (with decision-making authority) and organize the initial communications, present the pitch deck and materials, start preliminary discussions and negotiations, and follow up as needed;
- J Coordinate with Enterprise Georgia and the GoG as needed to further strengthen the approach and gain visibility with company leadership (e.g. letter from the Prime Minister and/or other Ministry officials as has been done previously);
- J After preliminary discussions, arrange conference calls and/or meetings between Enterprise Georgia and at least 40 potential investor companies that have shown interest during the initial communications/presentations between the successful offeror and target company;
- J Generate at least 20 site visits with potential investor companies to Georgia to make detailed country assessments;
- J Facilitate communication and information requirements targeting to close at least three FDI projects/deals (at least two in the target sector and one in an adjacent sector confirmed by USAID/Georgia and Enterprise Georgia) with the cumulative value of at least US\$10 million and more than 500 jobs created; and

- J) Work with Enterprise Georgia to develop a transaction advisory and investment facilitation protocol.

Deliverables and Performance Payments

Through a blended pay-for-performance mechanism, the successful offeror and INVEST will agree on a set of deliverables wherein the offeror is compensated for transaction advisory and investment facilitation services through incentives that are based on both reporting-based and performance-based deliverables (i.e. the offeror's ability to meet targets).

Payments will be made against a series of deliverables, issued under a Fixed Price deliverable contract, that demonstrate progress toward identifying and engaging potential investor companies with the ultimate goal of closing FDI transactions. Reporting-based payments will be issued following the submission and approval of time-specified reports (e.g. workplan).

For performance-based payments, INVEST expects the successful offeror to propose deliverables based on their technical approach that will result in **at least 25-50% of total compensation tied to the successful close of FDI deals**. INVEST anticipates that the successful offeror will propose a success fee structure that incentivizes deal closure and demonstrates that the offeror's objectives are aligned with the interests of USAID/Georgia and Enterprise Georgia.

It is envisioned that the successful offeror will provide the following, however offerors may propose alternative deliverables:

- 1) Detailed Workplan: The selected firm(s) will validate all elements of the proposed approach, interventions, timelines, milestones, ME&L framework, etc., and the detailed workplan in consultation with INVEST, USAID/Georgia, and Enterprise Georgia as a first deliverable in Phase 1.
- 2) Marketing Package and Pitch Deck of Prioritized Opportunities: The selected firm(s) will develop a tailored marketing package and pitch deck for target companies confirmed by Enterprise Georgia and USAID/Georgia in Phase 1.
- 3) FDI Deals Closed: Signed letters of agreement, legally binding contracts, and/or other official documentation that demonstrate the close of at least three foreign direct investment deals in target or adjacent sectors with the cumulative value of at least US\$10 million and more than 500 jobs created.

Along with proposed deliverables, offerors should clearly indicate in their proposals the: (1) target volume of transactions, (2) target number of transactions, and (3) proposed percentage of payment tied to the successful close of FDI deals.

Period and Place of Performance

This activity is expected to take place over a period of approximately 22 months from November 2020 to August 2022. Due to the Covid-19 pandemic, it is anticipated that most of the work will be conducted remotely, at least initially.

ROLE OF INVEST

INVEST will work closely with the selected firm(s) during all stages of this work. DAI will subcontract the successful offeror directly and provide review and oversight throughout the life of the activity in accordance with INVEST's lean management approach. The INVEST team will administer periodic check-ins, reporting, deliverable review prior to client presentation and approval, and manage an ongoing Monitoring, Evaluation and Learning (MEL) framework.

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