



**To:** Offerors

**Date:** November 19, 2019

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

**Subject:** Request for Proposals (RFP) INVEST-033 USAID Moldova Investment Landscape Assessment

**Due:** **1:00PM EST on December 10, 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 Moldova buy-in activity.

- I. RFP Process and deadlines:** This solicitation will result in the award of one or multiple Fixed Price subcontracts. We anticipate issuing a subcontract award(s) in the range of \$225,000-\$250,000 resulting from the implementation of this agreement.
  - a. Submission of Questions – Questions must be submitted no later than **1:00 pm EST on November 25, 2019** via email to [INVEST\\_Procurement@dai.com](mailto:INVEST_Procurement@dai.com).
  - b. Submission of Proposals – Proposals must be submitted no later than **1:00 pm EST on December 10, 2019** via email to [INVEST\\_Procurement@dai.com](mailto:INVEST_Procurement@dai.com), copying [katherine\\_tilahun@dai.com](mailto:katherine_tilahun@dai.com), [talin\\_baghdadlian@dai.com](mailto:talin_baghdadlian@dai.com), and [matthew\\_mitchell@dai.com](mailto:matthew_mitchell@dai.com). The subject line of the email should be your organization name, followed by “Submission under RFP INVEST-0XX: Moldova Landscape” 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. 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 and milestones including the identification and evaluation of potential investees and the support – financial and non-financial – needed to grow and scale these

companies. Offerors are permitted to engage in partnering arrangements if it will aid in providing best value to USAID, regardless of whether organizations belong to the USAID INVEST network.

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 similar contexts. If a partnering arrangement is being proposed, please provide details about the experience, expertise, or capacity of partner firms as well. Additionally, offerors should detail their experience (or their team's experience) in Moldova, Eastern Europe, and the Caucasus, with specific references to their existing networks in the region and understanding of financing and technical assistance needs of potential investees.
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 in narrative form for the development, review, and submission of all associated deliverables, including a milestone schedule. 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. Firms may consider partnering with other firms that bring in complementary skill sets and experience, as well as networks throughout the region covered by this RFP.

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) examples of past performance relevant to this activity (limited to two (2) pages per example)
- 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, should offerors choose to include one. No additional annexes or documentation are requested now.

## **Part 2 – Cost Proposal**

The contract type for the presumptive task order(s) will be Fixed Price Subcontract awarded by DAI Global, LLC. Please include your total proposed fixed price along with details for specific deliverable pricing. Offerors should include all travel costs associated with the proposed technical approach as part of the budget. Offerors must also include a cost breakdown of the hourly rates for proposed personnel, any other direct costs, indirect costs, and fees if applicable, with a build-up to their total proposed price or include substantiating price reasonableness documentation/justification. Cost breakdowns included will be utilized to determine price reasonableness. Offerors are expected to use their own cost/budget template; please limit file submissions to 10 megabytes or less.

- **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. 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. Specific preference will be shown for firms that demonstrate regional familiarity, networks, and/or presence in addition to relevant technical qualifications and experience working in developing, frontier and emerging markets, growing and scaling businesses, and facilitating investment transactions. DAI recognizes to adequately demonstrate the networks and expertise may require partnership between firms.

- 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 competencies. The technical approach should clearly demonstrate the offeror's ability to identify and evaluate potential investees and the support – financial and non-financial – needed, potential investors in Moldova and the region, and incentive programs for investees and/or investors. Offerors are asked to explicitly state the staging and the timing of each piece of the assessment and how that will impact the other aspects of the assessment. Based on the budget range stated, offerors should identify a target for how many investors and enterprises they can identify based on the market and the available funds for this activity.
  - b. Institutional Capacity (40 points)** – Points for this section will be based on information presented in the corresponding section. Preference will be given to firms and/or consortia that have past performance in timely and successful delivery of similar services as well as experience in Moldova, Eastern Europe, and the Caucasus, with specific references to their existing networks in the region covered by this RFP and understanding of financing and technical assistance needs of potential investees. Successful offerors will demonstrate their organizational experience navigating investment landscapes where governments are in transition and the investment climate is uncertain. Successful offerors will also demonstrate their experience in frontier and emerging markets, growing and scaling businesses, and facilitating investment transactions.
  - c. Management Plan/Staffing Structure (20 points)** - Points for this section will be based on the qualifications of proposed staff, clear delineation of the roles and responsibilities of each proposed staff and each proposed firm (if firms are partnering), and the demonstrated efficacy and clarity of the management plan. Proposals should provide a clear management plan in narrative form for the development, review, and submission of all associated deliverables, including a proposed milestone schedule. If the offeror is submitting a proposal along with 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.

**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, budget with cost breakdowns, and any relevant supporting cost information, as well as its alignment with the proposed technical approach.

**III. 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](mailto:INVEST_Procurement@dai.com)

**INVEST: Mobilizing Private Investment for Development**  
**Statement of Objectives for USAID/Moldova – Moldova Investment Landscape 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. 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.

**II. USAID Moldova Investment and Finance Investment Landscape Assessment**

As part of supporting Moldova’s Journey to Self-Reliance and to assist in the development of a comprehensive country development cooperation strategy (CDCS), USAID/Moldova intends to conduct an investment landscape assessment to identify and develop a pipeline of potential investment opportunities and active investors whose portfolios and interests align with identified opportunities to form the foundation of an investment platform activity in Moldova. This assessment will help optimize private sector engagement in future activities and programs as the Mission embarks on the design and implementation of its next five-year strategy.

Rapid Scoping Assessment

In October 2019, the INVEST project fielded a rapid assessment team to assess the Moldovan investment climate to refine the target sectors, consider various mechanisms that USAID/Moldova could employ to facilitate or foster investment into Moldovan businesses, and further define the required scope for the in-depth investment landscape assessment to be completed in 2020.

Some key takeaways from the mission were the following:

1. The key sectors that USAID is supporting are experiencing growth and there are indications that companies in the agriculture and agribusiness, creative, Information and Communications Technology (ICT), light industry, tourism and wine sectors are looking for capital to grow.
2. The Government of Moldova is providing competitive tax incentives to encourage investment, trade and economic growth in Moldova including Free Economic Zones and industrial parks.
3. While not yet a member of the European Union (EU), Moldova has benefited from the Deep and Comprehensive Free Trade Agreement (DCFTA), which provides zero or low tariffs on most goods traded with the EU.
4. There exists potential interest by companies in patient capital from strategic investors who can also support strategy, technology, and market linkages.
5. Approximately 30% of the population lives temporarily or permanently outside of Moldova, which strains workforce capacity and skills and is a factor in investment decisions.

6. The banking sector has a current liquidity ratio of 50.4%, which is above the reserve requirement and points to excess liquidity and demand/supply factors that are affecting borrowing in the country.

USAID/Moldova intends to complete an investment landscape assessment to investigate new investment opportunities and areas for collaboration resulting from the new political environment. A banking assessment of lending trends and portfolios of Moldovan banks is ongoing and is anticipated to be available at the start of the landscape assessment in early 2020.

### Investment Landscape Assessment

The investment landscape assessment will identify and develop a pipeline of potential investment project opportunities and needs, and active investors whose portfolios and interests align with identified sectors and opportunities to form the foundation of an investment platform activity in Moldova beginning mid-year 2020.

On the **demand** side, the assessment will gather more detailed information on a sample of companies interested in accessing investment and finance to identify their investment needs and uses, preference for equity and/or debt, level of preparedness for investments, etc. to develop a pipeline of investment opportunities. Selected firm(s) will be responsible for identifying current investment opportunities in Moldova from a wide variety of sources. Potential sources might include development finance institutions; asset managers; banks and lenders; transaction advisors; government investment agencies; donor-funded projects; industry associations; incubators and accelerators; and other ecosystem actors.

On the **supply** side, the assessment will map the local investment ecosystem, including investment funds, family offices, high net worth individuals, and impact investors, among others, locally, regionally and internationally that are or could be interested to consider Moldovan investments based on their portfolios and interests. The firm will also note and describe existing investment incentive programs offered by development partners, the Government of Moldova and others, and describe how each one may or may not support or detract from the investment environment and appetite. It is anticipated that potential investors will fall into four categories:

- **Category 1:** Investment funds, private equity funds, family offices, high net worth individuals, angels, impact investors. These groups are directly active in allocating funds to private companies, from equity to debt, in either active management or passive investments.
- **Category 2:** Corporate investors (Foreign Direct Investment). These include businesses active in the country or internationally that may consider mergers, acquisitions or setting up a corporate office or operations in Moldova.
- **Category 3:** Diaspora. These include people with Moldovan roots who are looking to invest back in their native country.
- **Category 4:** Debt and credit enhancement providers. These include commercial and concessionary lenders and credit enhancement mechanisms that may be appropriate and available to companies and projects.

Based on the findings and specific opportunities identified in the landscape assessment, the firm will provide recommendations on the best suited investment platform(s). This may include the following key components:

- Description of a minimum of 20 prospective enterprises identified through the landscape assessment process
- Types of capital, appropriate terms, and financial products needed by the current innovators and/or prospective enterprises to grow their operating capacity and attract/raise growth capital

- Types of transaction support and/or advisory services that might be needed to close deals
- Analysis of the level of complexity and potential timeframe needed to bring deals to close
- How the deal aligns with USAID development goals and the potential development impact of successfully closing the transaction
- Potential role for USAID in supporting the transaction
- Challenges and/or risks associated with the deal and potential mitigating strategies

Deliverables include but are not limited to:

- A catalogue that identifies and evaluates 20 of the most promising prospective enterprises for scaling over a 4-year period, including capital and technical/investment advisory services needed for each;
- A list of 40-60 enterprises that includes the enterprises above, plus enterprises that are on a current growth trajectory for support in later years;
- A summary report that:
  - o Maps capital providers, technical assistance, and business advisory service providers that correspond with list of companies and that are active in the region and/or demonstrate intentions of working and/or investing in the region.
  - o Profiles financial sources or incentive programs to focus on and work with providers to develop financial product(s) based on the needs of the identified companies.

The findings will inform recommendations on how to structure the anticipated investment platform activity to best facilitate investment (equity and debt) for targeted companies and sectors. The resulting landscape assessment will be made a public document so as not to preclude the successful offeror from consideration for the follow-on activity.

### **Role of INVEST Project**

INVEST will work closely with USAID/Moldova and the selected 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 weekly check-ins (as needed), reporting, deliverable review prior to client presentation and approval, and manage an ongoing ME&L framework.

- **Partner Onboarding:** DAI will work closely with USAID Moldova to provide the successful offeror(s) with all necessary context and information in order to avoid duplication of efforts.
- **Project Implementation:** The selected partner(s) will implement the work as prescribed by the work plan(s). DAI will provide management support and ensure regular 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.

### **Duration and Place of Performance**

This engagement is expected to commence in February 2020 and is anticipated to be completed by June 2020. An illustrative deliverable table is included below. Work will take place primarily in Moldova but may include travel in Europe or the United States.

<b>Deliverable</b>	<b>Approximate due date</b>
Initial identification and evaluation of top 20 most promising prospective enterprises	April 15, 2020
Mapping of regional capital providers, technical assistance, and business advisory service providers	April 15, 2020
Profiles of financial sources	April 30, 2020
Draft report	May 15, 2020
Final report	June 5, 2020



## ANNEX A: Sample Enterprise Data Collection Template

CATEGORY	SAMPLE "STRUCTURED" INPUTS
Company Name	
Brief Description	
Ownership structure	
Sector	
Company Stage	Startup; Expansion; Late Growth
Company Size (Employees)	
Company Size (# of customers)	
Company Size (2019 Revenue - US\$)	
Primary product cost (US\$)	
Company Type	
Investment use	Startup Capital Growth Capital - Sales, marketing, product development Growth Capital - Training, process implementation, capacity building Growth Capital - Equipment purchase, physical expansion Growth Capital - Workforce expansion Growth Capital - Multiple Growth Capital - Other Growth & Working Capital Refinancing
Target Investment Amount (US\$)	
% Equity	
% Debt	
Target Equity Investment	
Target Debt Investment	
Target Other Investment	
Schedule of investment needs	
TA needs pre-investment, and timing	
Jobs Created, other social impacts	
Female ownership or management team?	
Product or service supports women's economic outcomes	
Email	
Website	

## ANNEX B: Sample Investor/Financial Source Data Collection Template

CATEGORY	SAMPLE "STRUCTURED" INPUTS
Investor Name	
Type	Impact Commercial Bank DFI Private Equity Donor/Foundation Venture Capital Diaspora
Description	
Instrument type	Debt Equity Hybrid (Debt/Equity/Grants) Grants
Stage of Investment Process (for investment funds)	Fundraising Capital Deployment Date when fund closes
Experience in Moldova or region	
Median Ticket Size	
Ticket Size Range	
Firm Size (# of investment professionals)	Micro (2-10) Small (10-50) Medium (50-100) Large (100+)
Incentives for Smaller Investment and/or Specific Sectors	
Loan product parameters and requirements (for financial institutions)	
Contact	
Website Link	